

Handholding Letter to Keep Clients Encouraged During the 2000 to 2002 Bear Market

(Name)

(Address)

City/State/Zip)

Dear (Salutation):

In light of the current stock market downturn, I want to keep in touch with you and keep you up to date on changing market conditions.

None of us enjoy riding the waves of a turbulent market, but the message our analysts and money managers remain relentless about is to “stay the course” and maintain your investing discipline.

The decision you need to stand by is not whether you should be in the stock market, but the appropriate risk level, long-term financial goals and time horizon you’ve defined for yourself.

The key to successful investing in any market is to ignore the daily and weekly ups and downs, and maintain your faith in stock market history and our capital market system.

The last thing we should be doing right now is relying on the financial press and TV networks for advice, because the main focus of these sources is the sensations of short-term events.

Since the Great Depression, bull and bear markets have always alternated cycles. And right now we just happen to be in a stubborn bear market.

No one can predict exactly when the markets will shift back into a bullish trend again. But to fully participate in those wonderful upsides when it does happen, we must stay invested and “hang in there” through the bear markets.

People who sell out and sit on the sidelines in wait for a clear signal that the market is turning around usually come back in too late and miss much of the upside. Market timing is seldom done with any consistent success, even by the most seasoned investment professionals.

So my best advice right now, **(client name)**, is to stay patient.

If you have concerns about any of your investments or the overall state of your portfolio, please call or e-mail me at **(123-456-7890)** or **(e-mail address)**.

Yours truly,

(Advisor name/title)