

Selling Point

Advisor Roadmap – Guiding Clients Through Challenging Markets

Success is not final, failure is not fatal: it is the courage to continue that counts. – Winston Churchill

Periods of market turbulence present a multitude of challenges for you and your clients. Investment strategies and investor mettle are tested and stressed in trying markets. When volatility and uncertainty abound, it's difficult to stay the course and avoid bailing out of the market altogether. It's also tough to ignore when fear and panic sweep through the market, and avoid the herd mentality during periods of mass selling.

While deteriorating market conditions can be brutal, it's important not to lose sight of the opportunities they present for you and your clients. From a relationship standpoint, difficult times allow you to further solidify your partnership by offering your support and advice.

The steps you take during particularly tough times can cement your clients' perceptions, reminding them of your integral role in helping them achieve their financial goals.

The opportunities below represent a sampling of measures you can take to review each of your client's circumstances. Adopting these into your conversations with clients may help you structure and organize your discussions.

Opportunities to embrace

- **Acknowledge uncertainty.** Just as no one can time a downturn, no one can time a recovery, either. Remind clients that the only way to take advantage of an eventual market recovery is to remain fully invested so their portfolio is positioned to potentially benefit.
- **Offer your perspective.** Markets have always moved in cycles. Regardless of the current economic climate, you can offer your guidance, combining knowledge from past business cycles with analysis of factors currently impacting portfolios.

Opportunities to embrace *(continued)*

- **Reinforce your value proposition.** Use the opportunity to employ the benefits you bring to the partnership you enjoy with your client. Now and always, your experience and counsel can help them deal with life's events while helping them reach their financial goals.
- **Revisit investment strategies.** Market downturns certainly present bumps in the road for most portfolios, and the degree to which they derail goals will vary according to your client's individual circumstances.

Take the time to review each of these elements with your clients:

- **Goals:** saving for retirement, funding a child's education, buying a home
- **Time horizon:** how long investments will be put to work
- **Risk tolerance:** how comfortable are they with fluctuations
- **Asset allocation:** exposures may need to be reallocated and brought back to balance to the extent market movements have upended a portfolio

Discuss each of these to determine if your client's strategy requires refining in the event their individual circumstances have changed.

While the current environment has transformed many perceptions relating to investing, we believe that amid uncertainty, opportunities will continue to present themselves.

As an advisor, you are in a unique position to help clients understand recent market events and how they've impacted their portfolio. Explaining the chain of events can help clients accept the damage and determine next steps, while positioning their portfolio to potentially benefit when markets rebound.

Goldman Sachs Asset Management is committed to providing resources to help you navigate all market climates. Please contact your Goldman Sachs sales representatives for more information on market-related and practice management support and resources.

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