

Senior Advice: Reader doesn't take much stock in new broker

by *Doug_Mayberry*

Q: I am widowed, don't know much about the stock market, and my broker is retiring. He has increased the value of my account but not by much. I want to increase its value because of one child's long-term needs. I have met the new assigned broker. Considering the current yo-yo stock market and his age and experience, I am not comfortable. What should I do?

A: Today's worldwide financial competition and instant information availability has put a new face on investing. America's long-term dominance is being diluted and our dollar's valuation is under pressure. As none of us can predict the future as investors, we are becoming less secure about our investments. All choices, whether they be in real estate, certificates of deposit, bonds, annuities or even cash under our mattress, involve risk because of inflation, taxes, currency devaluation, fraud and natural disasters.

Your best bet is to make a plan using the expertise of a broker or financial planner with whom you have confidence. Remember, you are in control and need to retain it. By interviewing several candidates, you may find each has a different philosophy that he or she believes to be your best strategy.

Some long-term investors choose a basket of individual stocks or mutual funds based what brokers call "dollar-cost averaging." The theory is, should one category go down, another would increase in value. This means you will buy some stocks or funds at higher and lower prices over a period of time. No plan will always meet your expectations, but ideally this technique will both increase your portfolio in value and minimize your losses.

Obviously, this technique is not infallible, and when you or your heirs decide to sell will be determined by whether the market is up or down, based on your investment costs. Now is the time to tell your brokerage's managing partner you would like to personally interview other members of his staff before choosing your representative. Check out their philosophy track record and how your chemistry meshes. If the candidate agrees with your strategy and is enthusiastic about becoming responsible for your account, you've found a good match!

Q: My husband and I have been married for more than 38 years and have a wonderful family and live well. However, over the last couple of years I feel that both of us are becoming a bit more edgy and less patient with each other. It is affecting our relationship. We both know it but have not talked about it. Is this normal?

A: Absolutely. It's what the experts call going through another transition. Your expectations of each other change on an ongoing basis and will continue to do so. Now, either of you may be in failing health and is more concerned with your mortality, money may have become a little tighter, or you are less intimate - these and other factors can surface as we age. One technique that should work is to sit down and talk about what both of

you already know is going on. Good communication appears to have raised its head. You both may have procrastinated discussing the issues for your own reasons. You need to be honest and let it all out. If not, your relationship will continue to fester and will become worse.

Egos and family involvement may also be making a difference. Your children have probably noticed how you are reacting to each other and may have even taken sides. Becoming less needed and switching roles with your children is a major emotional leap. Don't let the lack of a serious discussion and compromise with your mate over normal transitional issues affect what is obviously a valuable and long-term loving commitment and relationship. How lucky you are to have each other to share and enjoy your lives for all of these years!

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