

Time for Some *Good News*

Does it seem like *news* has joined the list of things you can't avoid? These days, news of the economy is everywhere. And much of it is negative. In this struggling economy, you may be discouraged about how your retirement plan investments are performing. Instead of dwelling on the negatives, however, try to look for the positives.

Plan Assets Are Kept Separate

The investment options your plan provides are subject to market risks, and falling investment values certainly are a concern. In addition, you may be worried about the security of your account. However, qualified retirement plans are closely regulated by federal law. After funds are contributed to your employer's plan, they must be kept completely separate from your employer's accounts and may be used only for the benefit of plan participants and beneficiaries.

You *Can* Take It with You

Federal law also provides you with a lot of flexibility in terms of the portability of your retirement savings. If you change jobs, you won't have to start over. You may have several options for keeping your retirement savings in your current plan or moving your savings to another tax-advantaged retirement account, so you can keep making progress toward your long-term savings goal.

Think of the Future

If you're worried that investing may not be the best way to prepare for your future, take a look at the past. You've heard this before, but it's worth repeating: Although there is no guarantee that history will repeat itself, the stock market has always bounced back after a drop. There have been numerous recessions and periods of economic turbulence in the past. Each time, the stock market has eventually recovered and gone on to new highs.

When investment values drop, those close to retirement may have to make some adjustments to their short-term plans. However, those with a longer time to save and invest for retirement have an opportunity. Continuing to regularly save and invest when prices are low could give your account balance a nice boost if prices rebound in the future.

As always, you'll want to make sure that your investments are adequately diversified* and that the way you've allocated your assets (divided them among different types of investments) is appropriate for your risk tolerance, investing time frame, and goals.

Half Full

Optimism has been linked to such things as happiness, good health, and success. The next time you need a reason to be optimistic, think about the safeguards and the opportunities your retirement plan offers.

** Diversification does not ensure a profit or protect against loss in a declining market.*