SOLAS WEALTH
PLANNING • INVESTING • COACHING

THE CYCLE OF **MARKET EMOTIONS**

Navigating the highs and lows of your portfolio

This is an illustration of the mentality of many who fall victim to the emotional roller coaster of a typical market cycle.

It's important for investors to not act based on their feelings or emotions but stick to their long-term investment plan.

Our rules-based approach makes sure your capital can be protected during times of prolonged market volatility. Our repeatable process for making all portfolio decisions leaves no room for emotional decision-making during times of euphoria or fear.

Optimism
This rally is real. "This will be a good investment."

Excitement
The market really is improving. "I should invest more!"

Thrill
Buying on margin. "Wow, I'm so glad I bought when I did!"

Euphoria
Collective dopamine rush as market peaks. "I'm a genius!"

Maximum Risk

Anxiety
"This growth can't last much longer."

Denial
Ignoring the warning signs as the market demand weakens. "This won't last."

Fear
"How much worse is it going to get?"

Desperation
"When will this turn around? Please start selling."

Panic
Fear rises. "I need to get out!"

Capitulation
Investors completely exit the market. "I can't afford to lose more."

Despondency
Steep losses causes investors to feel hopelessness.

Maximum Opportunity

Depression
Investors are upset as they have lost a great deal of money.

Hope
"Perhaps the market can recover from this."

Relief
The market is rising. "Glad that time period has passed."

Optimism
This rally is real. "This will be a good investment."

Rational investors recognize the potential early in the cycle and act confidently.

Disciplined investors do not participate in panic buying.

Long-term investors understand the volatile market and avoid making rash decisions.