

For the educated investor:

Navigating Stock Market Volatility



Fort Vancouver Investment Management | www.fortvancouverim.com



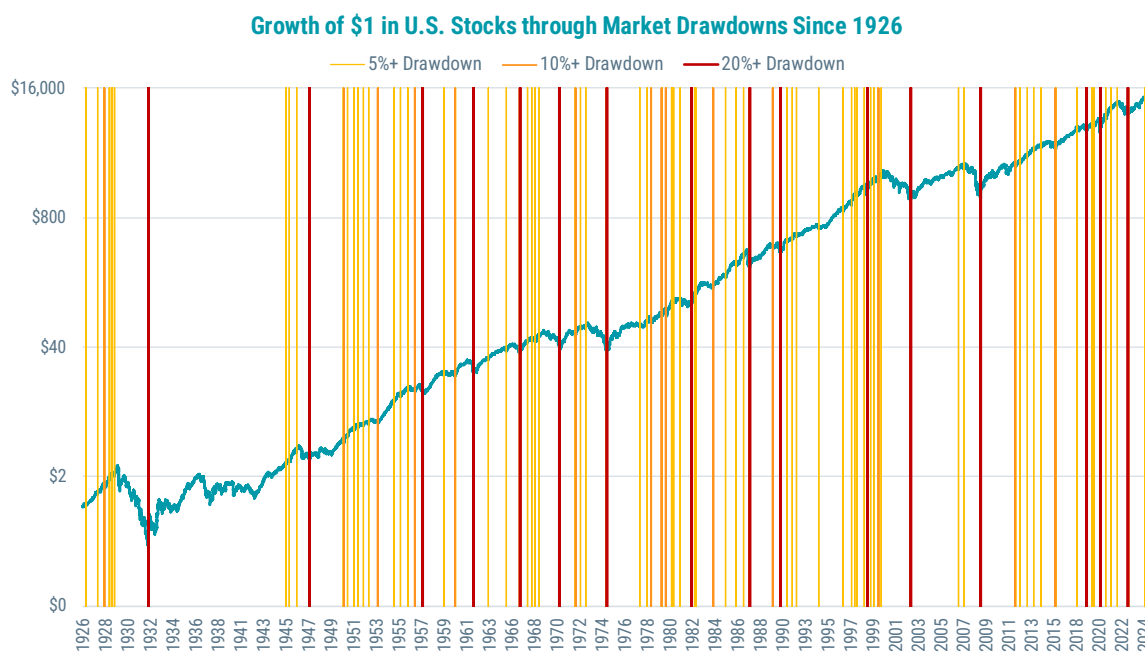
Navigating Stock Market Volatility with Evidence-Based Investment Principles

Market volatility is an unavoidable reality for investors, yet it does not have to be a source of fear or reactive decision-making. Evidence-based investment principles provide a disciplined approach to navigating uncertainty while optimizing long-term outcomes. This white paper outlines key strategies to help investors maintain confidence and control amid market fluctuations.

1. Maintain a Long-Term Perspective

Stock markets are inherently volatile in the short term but have historically trended upward over extended periods. Evidence from decades of market performance data suggests that patient investors who remain committed to a long-term strategy are more likely to achieve their financial goals.

Past Downturns and Long-Term Performance



Returns data from 7/1/1926 – 3/6/2025. U.S. stocks sourced from the Center for Research in Security Prices (CRSP) include all firms incorporated in the US and listed on the NYSE, AMEX, or NASDAQ. Drawdowns are calculated from market peaks to subsequent bottoms. **Past performance is no guarantee of future results.** This hypothetical situation contains assumptions that are intended for illustrative purposes only and are not representative of the performance of any security. There is no assurance similar results can be achieved, and this information should not be relied upon as a specific recommendation to buy or sell securities.

2. Diversification Reduces Risk

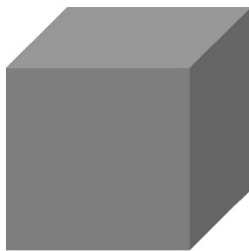
A well-diversified portfolio across asset classes, geographies, and sectors can mitigate the impact of volatility. Research shows that diversification lowers portfolio risk and smooths returns over time, helping investors weather periods of market instability.

Practice Smart Diversification

Home Market Index Portfolio

S&P 500 Index

1 country
500 companies



Global Market Index Portfolio

MSCI ACWI Investable Market Index (IMI)

47 countries
8,977 companies



Holding securities across many market segments can help manage overall risk. But diversifying within your home market may not be enough. Global diversification can broaden your investment universe.

International investing involves special risks, such as currency fluctuation and political instability. Investing in emerging markets may accentuate these risks. Diversification does not eliminate the risk of market loss. Number of holdings and countries for the S&P 500 Index and MSCI ACWI IMI (All Country World IMI Index) as of December 31, 2023. S&P data © 2024 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. MSCI data © MSCI 2024, all rights reserved.



3. Asset Allocation Matters

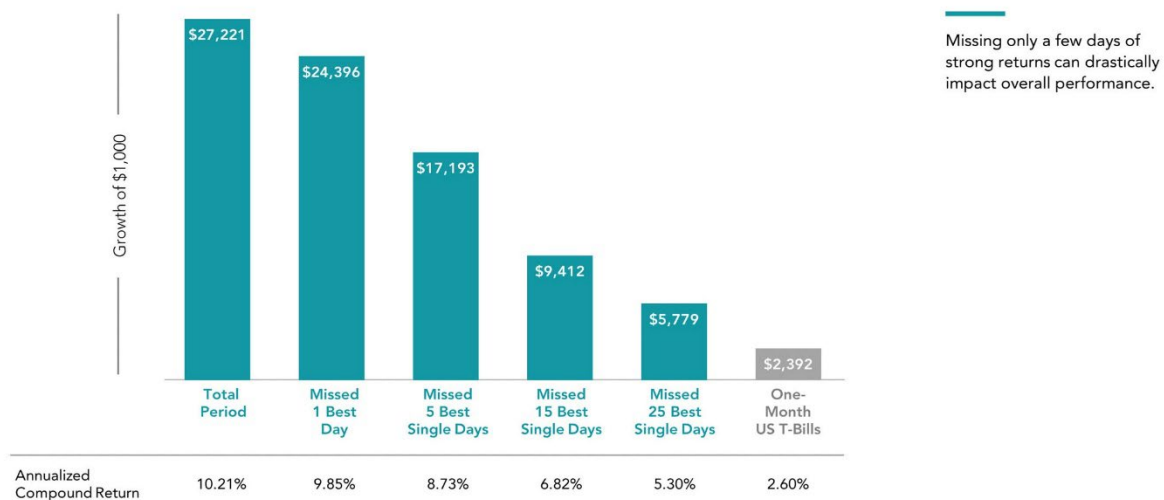
Strategic asset allocation—aligning a portfolio’s mix of stocks, bonds, and other assets with an investor’s risk tolerance and time horizon—plays a crucial role in investment success. Studies indicate that asset allocation is a primary driver of portfolio returns and risk management.

4. Avoid Market Timing

Attempting to predict market movements often leads to underperformance. Studies reveal that missing just a handful of the market’s best-performing days can significantly reduce long-term returns. Staying invested through market cycles is a proven strategy for capitalizing on market recoveries.

Reacting Can Hurt Performance

Performance of the S&P 500 Index, 1990–2023



Past performance is not a guarantee of future results. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. In USD. For illustrative purposes. The missed best day(s) examples assume that the hypothetical portfolio fully divested its holdings at the end of the day before the missed best day(s), held cash for the missed best day(s), and reinvested the entire portfolio in the S&P 500 at the end of the missed best day(s). Annualized returns for the missed best day(s) were calculated by substituting actual returns for the missed best day(s) with zero. S&P data © 2024 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. "One-Month US T-Bills" is the IA SBBI US 30 Day TBill TR USD, provided by Ibbotson Associates via Morningstar Direct. Data is calculated off rounded daily index values.

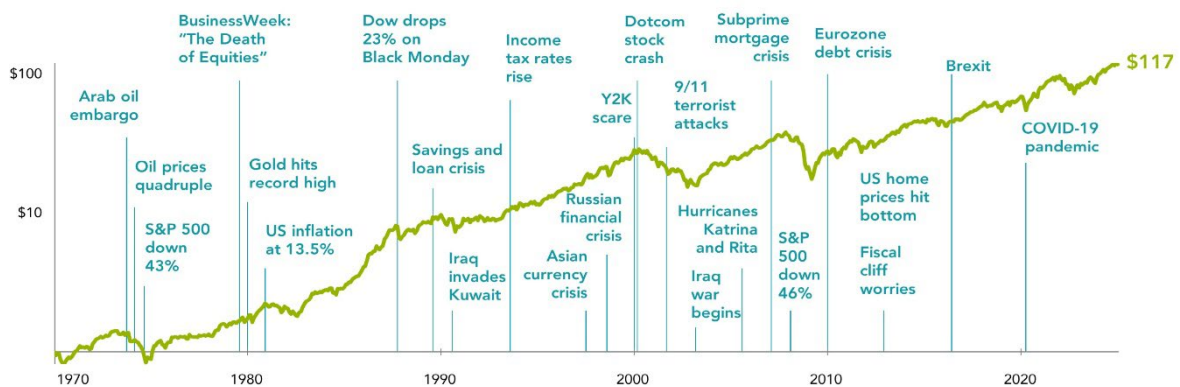
 Dimensional

5. Behavioral Discipline is Key

Emotional responses to market movements can lead to impulsive decisions, such as panic selling during downturns or chasing high-performing assets. Behavioral finance research emphasizes the importance of discipline, automation, and adherence to a structured investment plan to counteract emotional biases.

Markets Have Rewarded Discipline

Growth of a dollar—MSCI World Index (net dividends), 1970–2024



A disciplined investor looks beyond the concerns of today to the long-term growth potential of markets.

Past performance is no guarantee of future results. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. In USD. MSCI data © MSCI 2025, all rights reserved. Data presented in the Growth of \$1 chart is hypothetical and assumes reinvestment of income and no transaction costs or taxes. The chart is for illustrative purposes only and is not indicative of any investment.

Dimensional 3

6. Tax Efficiency Enhances Returns

Tax-aware investing strategies, such as tax-loss harvesting, asset location optimization, and strategic withdrawals, can improve after-tax returns. Evidence suggests that proactive tax planning can add significant value to an investor's portfolio over time.

7. Work with a Fiduciary Advisor

A fiduciary financial advisor acts in an investor's best interest, providing objective guidance based on evidence rather than speculation. Research supports the value of professional advice in improving investment outcomes, managing risk, and enhancing financial confidence.

Focus on What You Can Control

Create an investment plan to fit your needs and risk tolerance.

Structure a portfolio along the dimensions of expected returns.

Diversify globally.

Manage expenses, turnover, and taxes.

Stay disciplined through market dips and swings.

A financial advisor can offer expertise and guidance to help you focus on actions that add value. This can lead to a better investment experience.

Diversification does not eliminate the risk of market loss. There is no guarantee investment strategies will be successful.
For illustrative purposes only.



While market volatility can be unsettling, an evidence-based investment approach provides clarity and stability. By maintaining a long-term perspective, diversifying effectively, and adhering to disciplined investment and tax strategies, investors can navigate uncertainty with confidence. Partnering with a fiduciary advisor further strengthens the ability to make informed, strategic decisions that support financial success.

For more information on evidence-based investing and personalized financial planning, contact us today.

Disclosure: The information contained in this white paper is provided by Fort Vancouver Investment Management, LLC ("FVIM"), a registered investment adviser in the State of Washington. The views and information expressed are for educational and informational purposes only and should not be construed as specific investment, legal, or tax advice.

The data presented is intended for illustrative purposes. Investment decisions should be tailored to individual circumstances and risk tolerance. Charts and graphs are provided by Dimensional Fund Advisors and Avantis Investors.

Investing involves risks, including the potential loss of principal. Past performance is not indicative of future results. Readers should not assume that any discussion or reference to a security, sector, or strategy is a recommendation to buy or sell, or that FVIM will continue to utilize such strategies in the future.

While believed to be accurate as of the publication date, FVIM makes no warranties as to accuracy or completeness and disclaims liability for any errors or omissions.

Individuals should consult with a qualified financial advisor to obtain advice tailored to their personal circumstances before making any investment decisions.



FORT VANCOUVER INVESTMENT MANAGEMENT, LLC

FOUNDED

2011

ADVISORY EXPERIENCE

OVER 2
DECADES

SERVING

INDIVIDUAL INVESTORS
NATIONWIDE

ADVISORS

ROB POOL, CFP®
FOUNDER

MATT EBELING, CFP®
PARTNER, LEAD ADVISOR

ANDREA SILBERNAGEL, CFP®, EA
PARTNER

SERVICE TEAM

HOLLY BREEDEN
DIRECTOR OF COMPLIANCE

SARAH YOUNG
OPERATIONS MANAGER

MADLINE KOO
CLIENT SERVICE SPECIALIST

ILONA VORONKO
CLIENT SERVICE SPECIALIST

ASSETS UNDER MGMT

\$199 MILLION

(AS OF JAN 2025)

MISSION

By focusing on your unique financial needs and personal goals, we build enduring relationships, dedicated to simplifying the complex, and delivering the clarity you need to remain in control of your financial future.

SERVICES

INVESTMENT MANAGEMENT

FINANCIAL PLANNING

RETIREMENT PLANNING

TAX PLANNING

KEY QUALITIES

WE ARE:

An independent, fee-only, fiduciary Registered Investment Advisor firm

We are your dedicated financial advocate focused on serving you.

YOUR CLIENT EXPERIENCE IS:

Proactive and personalized to your unique needs

Through planning, process, and thoughtful collaboration, we've got you covered – from your greatest wealth interests to every granular detail.

YOUR INVESTMENTS ARE:

Low-cost, globally diversified, evidence-based

Apply the timeless tenets of sensible investing to accomplish your personal financial goals.

VALUED RESOURCES



FUND MANAGERS

Our select fund manager alliances help us consistently apply your ideal investment strategy.



BlackRock



CHARLES SCHWAB **Avantis Investors®**



YOUR MONEY IS HELD AT

Your assets are held independently, with transparent transaction reports sent directly to you.

CHARLES SCHWAB



ALSO AFFILIATED WITH

Additional professional affiliations ensure we gain from, and contribute to best financial advisory practices: advancing transparent, low-cost, strictly fiduciary levels of client care.



NAPFA CORPORATE FIRM



FEE ONLY
NETWORK