The 13-year period through early 2022 was a very lucrative one for investors, with stocks, as measured by the S&P 500 index, returning more than 400% over that time. But since the market's high on Jan. 3, investing has been anything but a fun ride.

Stocks are down about 20% this year, despite rallying over the past few days. And bonds, usually a safe haven when stocks are struggling, are down 17% year to date. And there's still a lot of uncertainty ahead as the Fed continues raising interest rates to fight four-decade-high inflation. So what should investors do?

The first step is to zoom out and look for perspective. Volatility and even bear markets are the price of getting access to the markets' long-term returns. That 13-year run-up in the S&P included many significant setbacks, including dips of 28% and 34%. As an investor, you can't enjoy long-term gains without enduring temporary setbacks.

Is the current bear market near an end? It's impossible to say. But one thing to remember is that market timing, however tempting it may be, doesn't work. Study after study has proven that attempting to beat the market by leaving it and then jumping back in at the right time is a fool's game.

Remember, to get out near the top but also get back in near the bottom, you need to guess right twice. Sure, you might get lucky a time or two, but more often you'll lock in a loss by selling and get back in well after a recovery has started. If there were reliable ways to identify market tops and bottoms, professional investment managers would never have down years. Yet nearly 80% of actively managed mutual funds trail their benchmark indexes.

So what should investors be doing right now? History teaches us that during volatile periods, the best thing to do is almost always to ignore the markets and our portfolios and trust that positive returns lie ahead. Consider the fact that between 1930 and 2021, the S&P 500 ended 30 years in negative territory, but 62 in positive territory. While 2022 may end up being a down year, the market is cyclical, and setbacks have always set the stage for more gains.

If you're tempted to sell or buy investments because of scary headlines or tips you've picked up

from the media or family and friends, ask yourself whether you truly know something that countless other investors don't. Then ask whether you're certain enough to bet your money on it.

Fear and greed are always powerful forces when it comes to investing, and they are exacerbated in times of stress. If you're investing money that you won't need for several years, your best move is likely sitting tight and remembering that short-term declines in your portfolio are the price you pay for long-term gains. Please don't hesitate to contact us if you'd like to discuss your investments.