Never Waste a Good Crisis

With so many of us Americans working and learning from home during the pandemic, it led us to ask, “How are we doing investing from home?” Here we’ll offer a few pro tips for making the most of this unusual time.

“We see an incredible 42% of the U.S. labor force now working from home full-time,” Stanford economist Nicholas Bloom said in June. That’s up from just 2.5% of workers before the crisis, according to the Bureau of Labor Statistics. Bloom expects the work-from-home boom to continue once the pandemic is over because of benefits to workers and—for some—higher productivity.

So, this forced trial of working from home seems poised to transform working, at least for those jobs that can be done remotely. A June 2020 study by the University of Chicago estimated 37% of jobs in the U.S. could be done from home. The pandemic, then, could bear the fruit of better working conditions for many—lemonade from lemons, if you will.

How might this apply to you as an investor? We suggest using any newfound time or savings during the pandemic to further your long-term financial goals. Doing so would require taking—or keeping—a long-term mindset when it comes to investing and your financial future. And a key step in this direction is developing—or reminding yourself of—your long-term financial plan with your advisor.

“I think this disruption to our normal lives gives us all a chance to think about what matters most,” said Ryan Murphy, head of decision science at Morningstar Investment Management. “I suspect that, despite the turmoil of this pandemic, many people’s long-term financial goals remain largely unchanged. So the practice of reviewing and affirming them—or even writing them for the first time—could be a powerful way to keep the pandemic in perspective.”

Putting Savings to Work

Another way to take advantage of the pandemic is putting savings to work. Many people have saved more during this crisis. According to the Bureau of Economic Analysis (BEA), Americans saved about 5 times as much in April as before the pandemic, and continue at a rate that’s more than double what it was in early 2020. Sure, government
An index of 500 stocks chosen for

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Managed Portfolios are here to help you—not just through the pandemic, but for the long haul.

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