Please note: This is a transcription so there may be slight grammatical errors.

Debra Gates:

So you've successfully saved for retirement. But what happens if your retirement coincides with the stock market decline?

All through your career, you've made regular contributions to your retirement fund. You've seen the market rise and fall, but your well diversified portfolio has allowed you to take advantage of periods of market growth and left time to recover from periods of decline. Volatility is a natural part of market cycles and when you're saving for retirement, it works in your favor. But if you are retiring during a bear market, it can be a bit tricky. That's because taking withdrawals early in your retirement, when the market is down, can have an out sized impact on how long your retirement savings will last. And unlike when you are working and saving, your portfolio may not have the time to recoup those losses.

While it is frustrating that there is no way to predict whether the market will be up or down when you retire, you can prepare by developing a well diversified portfolio that includes a mix of stocks, bonds, and cash. That way, if there is a bear market when you hit retirement, you can use your cash reserves to cover your expenses during those early months, without depleting your investment accounts. Remember while investing in the stock market can be risky, in the long term stocks have historically outperformed bonds and cash. A bear market does not mean that you need to change your entire approach. In fact, a sound financial plan is built to withstand a range of market scenarios. Instead, you should focus on the timeless investment principles of diversification and proper asset allocation to fuel growth during your retirement without creating too much risk.