



Time is the solution for uncertain markets

Colin Lundgren, Head of U.S. Fixed Income



Your success. Our priority.

I think uncertainty gets the best of people and gets the best of markets.

I think, during uncertain times, investors get very nervous. And whether the outcome is going to be X, Y or Z, that uncertainty kills the markets. In fact, sometimes as long as they know the bad news, that bad news tends to get priced into the market. And they can move forward from there. And I think whether you're talking about an election or some other information, a Fed meeting, economic data, uncertainty gets the best of the markets. And when you can move past that uncertainty, it has a way of markets can start focusing on other long-term issues.

The best advice I can give an investor who may be nervous about the election, who may be nervous about the next Fed meeting, the Italian referendum, and so on and so forth is to be a long-term investor. I think, as a short-term investor, those events can certainly rattle markets. And sometimes they can have some lasting implications but I think it's more important to be a good long-term investor. Think about what your goals and objectives are. Invest appropriately within the asset classes. And it may or may not include fixed income or certain parts of the fixed-income market. And then invest the money and let it work over a long period of time because this too shall pass. It will eventually come back to the fundamentals. And if you're investing in good countries and in good companies, then you can be confident you should get paid that income. And then over time, assuming it's being prudently managed, minimize any potential losses and, hopefully, maximize gains, if there's some opportunities out there.

The views expressed are as of November 2016, may change as market or other conditions change and may differ from views expressed by other Columbia Management Investment Advisers, LLC (CMIA) associates or affiliates. Actual investments or investment decisions made by CMIA and its affiliates, whether for its own account or on behalf of clients, may not necessarily reflect the views expressed. This information is not intended to provide investment advice and does not take into consideration individual investor circumstances. Investment decisions should always be made based on an investor's specific financial needs, objectives, goals, time horizon and risk tolerance. Asset classes described may not be suitable for all investors. Past performance does not guarantee future results, and no forecast should be considered a guarantee either. Since economic and market conditions change frequently, there can be no assurance that the trends described here will continue or that any forecasts are accurate.

There are risks associated with fixed-income investments, including credit risk, interest rate risk, and prepayment and extension risk. In general, bond prices rise when interest rates fall and vice versa. This effect is usually more pronounced for longer term securities.

Investment products are not federally or FDIC-insured, deposits or obligations of or guaranteed by any financial institution and involve risks, including possible loss of principal and fluctuation in value.

Securities products offered through Columbia Management Investment Distributors, Inc., member FINRA. Advisory services provided by Columbia Management Investment Advisers, LLC.

Columbia Threadneedle Investments (Columbia Threadneedle) is the global brand name of the Columbia and Threadneedle group of companies.

©2016 Columbia Management Investment Advisers, LLC. All rights reserved.

1638523

