

VIDEO TRANSCRIPT

Video Title: **5 Ways a Financial Plan Helps During Market Volatility**

Speaker: Sean Tesoro, President, Salem Five Wealth Management & Trust

Channel: [YouTube - Salem Five Bank](#)

Published Date: May 28, 2026

Video Duration: [03:34]

Description: This video explains five ways a financial plan can help individuals navigate market volatility, including avoiding emotional decisions, staying diversified, managing cash flow, planning scenarios, and building long-term resilience.

[00:01]

[Soft background music begins]

[On-screen text: "5 Ways a Financial Plan Helps During Market Volatility"]

[Speaker appears on screen]

Sean Tesoro:

Hi, I'm Sean Tesoro, President of Salem Five Wealth Management & Trust.

Clients have been understandably asking about the recent volatility in the markets. It might sound a little cliché, but our first response is usually “let’s see how this impacts your financial plan.”

During periods of global conflict, having a plan helps you stay stable, flexible, and prepared when uncertainty is high. Wars, geopolitical tensions, and economic disruptions can ripple through markets and impact everyday costs. A solid financial plan acts like a shock absorber—helping you stay on track despite the chaos.

Let’s look at five key ways a financial plan can help:

[00:48]

Number one: Avoid panic-driven decisions.

[On-screen text: "Avoid Panic-Driven Decisions"]

This may be the most underrated benefit. During times of uncertainty, fear can drive costly mistakes. It's tempting to react to headlines by selling investments or hoarding cash—but emotional decisions often lock in losses or lead to missed opportunities.

[On-screen chart: "Staying Invested: Timing the Market."]

This chart illustrates the impact of trying to time the market after major downturns. It compares the growth of a \$1,000 investment in the S&P 500 over the past 25 years if an investor stayed fully invested versus selling after a market drop of 2% or more and staying out for different periods of time. The fully invested strategy grew to over \$6,400, while strategies that exited the market after downturns produced significantly lower returns — in some cases less than a quarter of the fully invested outcome. The chart highlights how missing time in the market can dramatically reduce long-term investment growth.]

Over the last 25 years, investment returns when selling after a downturn were at best half of the return when staying invested. A well-structured plan keeps you focused on long-term goals rather than short-term noise.

[01:23] Number two: Stay diversified.

[On-screen text: "Stay Diversified"]

Another big benefit of planning is risk management. A well-diversified portfolio—grounded in the principles of Modern Portfolio Theory—can reduce exposure to any single region or asset class that might be heavily affected. Market volatility is common during geopolitical conflict, but instead of trying to predict winners and losers, a diversified portfolio spreads risk across sectors and asset types, reducing exposure to any single shock.

[01:55] Number three: Prepare for higher everyday costs.

[On-screen text: "Prepare for higher everyday costs"]

A financial plan includes liquidity strategies—like emergency funds—so you can cover expenses without selling long-term investments at a loss. For example, the current conflict is disrupting oil supplies which in turn may increase fuel and transportation costs. Having a

plan makes sure you have adequate liquidity, which helps you adjust your budget early before rising costs catch you off guard.

[02:25] Number four: Plan for “what if” scenarios.

[On-screen text: "Plan for “what if” scenarios"]

Too many times financial planning is thought of like “set it and forget it”. A good plan allows you to model different scenarios and gives you a sense of control about your options. What if inflation stays higher for longer? What if there’s a prolonged conflict that causes a recession and I have to retire early? Preparing for different outcomes gives you the confidence to make thoughtful decisions instead of reacting under pressure.

[02:41]

[On-screen chart: "Consumer Price Index"]

This chart tracks the year-over-year change in the Consumer Price Index, or CPI, alongside Core CPI, which excludes food and energy prices. The data shows how inflation has fluctuated over time, with several major spikes driven by economic shocks and periods of rising prices. More recently, inflation surged sharply before beginning to moderate. The latest readings show headline CPI at 3.3% and Core CPI at 2.6%, suggesting that while inflation remains above historical lows, price pressures have eased from their recent peaks.]

[02:55] Number five: Build long-term resilience.

[On-screen text: " Build long-term resilience"]

While you can’t control global events, you can control how you respond. There will always be another “crisis”, and the last 12 months are a perfect example: Barely a year ago we had turmoil over the tariffs, and here we are a year later with a war in the Middle East. Financial planning builds resilience over time, which helps turn uncertainty into something more manageable.

As always, please don’t hesitate to reach out if you’d like for us to review or create your individual financial plan.

[On-screen text: " Sean Tesoro, President, Salem Five Wealth Management & Trust"]

[End Screen – Blue background with text]

[Soft background music begins]

Salem Five Wealth Management & Trust

The opinions voiced in the material are for general information only and are not intended to provide specific advice or recommendations for any individual. All performance referenced is historical and is no guarantee of future results. All indices are unmanaged and may not be invested into directly.

There is no guarantee that a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.

Not Insured by FDIC or Any Other Government Agency

Not Bank Guaranteed

Not Bank Deposits or Obligations

May Lose Value