

BUSINESS

Personal Finance

ASK THE EXPERTS

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If I don't want to be in stocks right now, what should I do with my investment money?



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Since 1945, the average bear market has lasted about two years and knocked the S&P 500-stock index down 36 percent.. Now is not the time to drink the "BUY AND HOLD" investment strategy Kool-Aid. Be conservative, limit your risk -- and sleep well knowing your investment principal is not going to continue to decline.

If you want to avoid the stock market, I recommend a mix of two exchange-traded funds:

- 80 percent in Lehman TIPS Bond Fund (symbol TIP). The Treasury protects your principal by adjusting your U.S. government bond investments each month to keep pace with inflation, now above 4 percent and likely to go higher before year's end.
- 20 percent in SPDR Gold Shares (GLD). Gold funds traditionally go up when the dollar goes down. No matter who wins this year's election, the deficit will continue to go up. The government will print more money. The dollar will continue to decline.