

Riding Out 2009 – By Randy Myers

Position Your Portfolio for a Rebound

During your rebalancing exercise, look at the mix of stocks in you portfolio to see whether you can boost your exposure to those with a long history of paying dividends. Companies that have made it this far through the recession with their dividend record intact have demonstrated staying power, and the dividends they throw off can cushion your investment returns until the bear market ends. "I am employing this strategy for my clients," says Cary Carbonaro, founder of Family Financial Research, a wealth management practice with offices in New York City and Huntington Village, NY, and Clermont, FL. "If a company has paid dividends for 50-plus years and its stock has a smaller, less volatile trading range than the overall market that has some real appeal in this environment."

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