

Are investors who try to 'time a volatile market' doomed to failure?



Dear Liz: Today's stock market is one of the most volatile of all time. So many issues affect it, and there seems to be no end in sight to war in Ukraine, inflation, high fuel prices, the pandemic, China conflict concerns and more. Any one of these would cause the market pain, but together it's scary.

I have a broker who's used to riding ups and downs, and says to me to be patient. In the meantime I've lost 25% of a portfolio that was extremely fruitful until January of this year. Please give me guidance on working with a broker, finding one who knows how to navigate this market and isn't mired in some tradition of riding waves. I need one who sees opportunity and knows how to take advantage and get out appropriately.

Answer: The reason your broker is "mired in

some tradition of riding waves" is because that's the one approach that consistently works. It's the advisors who promise you that they can "see opportunity" and "get out appropriately" that can cost you big time. Advisors who try to time the market — which is what you're asking them to do — inevitably fail. They might get out in time to avoid the crash but rebounds happen so swiftly that they'll miss a good chunk of the recovery before they get back in.

There is no reward without risk, and riding out inevitable downturns is how investors get ahead over time. Trying to outsmart the market just leads to extra costs that lower your ultimate returns.

Dear Liz: I am selling my house and will not be buying another one. I believe that I know the rules of capital gains taxes in general. However, must I include the capital gains of previous homes, even those experienced many years ago?

Answer: Possibly. Before 1997, home-

owners could avoid capital gains taxes by rolling their profits into another home, as long as the purchase price of the new house was equal to or greater than the home they sold. Homeowners 55 and older could get a one-time exclusion of up to \$125,000.

The rules changed in 1997. Now homeowners can exclude up to \$250,000 of home sale gains as long as they have owned and lived

in the home at least two of the prior five years. A married couple can exclude up to \$500,000.

Let's say you bought your current home for \$300,000 prior to 1997. Normally, that amount (plus certain other expenses, including qualifying home improvements) would be your tax basis. If the net proceeds from your sale were \$500,000, for example, you would subtract the \$300,000 basis from that

amount for a capital gain of \$200,000.

But now let's say you rolled \$200,000 of capital gains from previous home sales into your current home. That amount would be subtracted from your tax basis, so your capital gain would be \$400,000 — the \$500,000 net sale proceeds minus your \$100,000 tax basis.

Before selling any home, you should consult with

a tax pro to make sure you understand how capital gains taxes may affect the sale. You don't want to find out you owe a big tax bill after you've spent or invested the proceeds.

Liz Weston, Certified Financial Planner, is a personal finance columnist for NerdWallet. Questions may be sent to her at 3940 Laurel Canyon, No. 238, Studio City, CA 91604, or by using the "Contact" form at asklizweston.com.

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HOROSCOPES

by Stella Wilder

THURSDAY, JULY 7, 2022
YOUR BIRTHDAY by Stella Wilder

Born today, you are one of the most dramatic and charismatic individuals born under your sign, the kind of person who attracts the attention of an entire room simply by walking into it and who can change the dynamics among the people there with little more than a look, word or gesture. Are you really that powerful? Perhaps not, but it doesn't really matter at all, for people are more than willing to grant you that kind of power simply because you are who you are.

FRIDAY, JULY 8
CANCER (June 21-July 22) -- If you feel that it's time to prove something, look inward and you'll likely find that you are the only one doubting yourself at this time.

LEO (July 23-Aug. 22) -- Unforeseen circumstances may throw a wrench into the works today, and you'll be called upon to reorder things in a manner that keeps chaos at bay.

VIRGO (Aug. 23-Sept. 22) -- It's not help that you need so much today as moral support -- and you know just where to get it. First, you must reach out and reestablish contact.

LIBRA (Sept. 23-Oct. 22) -- Others are going about their business today with little or no thought of what you are doing -- so why are you so concerned about them?

SCORPIO (Oct. 23-Nov. 21) -- You may realize you've been fighting an uphill battle for quite some time -- but has it been necessary? A change of strategy is in order.

SAGITTARIUS (Nov. 22-Dec. 21) -- It's a good day for treating yourself to what you might consider a guilty pleasure -- which you can enjoy even more with a friend.

CAPRICORN (Dec. 22-Jan. 19) -- Special arrangements may be easier to make today than those that are considered routine, and you must make a decision that defies logic.

AQUARIUS (Jan. 20-Feb. 18) -- You may receive advice from someone who has been looking out for you without your knowledge. Such help is more valuable than you think!

PISCES (Feb. 19-March 20) -- Things take on a note of urgency today just when you thought you could sit back and relax. The opportunity to do just that will come soon.

ARIES (March 21-April 19) -- Loyalty is the big issue you face today, and someone may ask you some tough questions in order to assess the state of your alliance.

TAURUS (April 20-May 20) -- You're waiting for someone to make the first move, but you're likely to realize that success depends upon you taking the initiative today.

GEMINI (May 21-June 20) -- Scheduling and logistics may take up more of your time than expected today. A little adjustment here will require a larger one there, and so on.

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103 Announcements

PULL TABS ACCEPTED
AT THE FOLLOWING BAKER CITY LOCATIONS

- Baker City Herald
- Dollar Tree
- Black's Distributing
- Ryder Bros
- VFW
- Baker Elk's Lodge
- Main Event
- Lefty's Tap House
- Baker City Fire Dept.
- Haines Sell-Rite
- Idle Hour
- Salvation Army

104 Community Calendar

VFW POST 460
Every 1st and 3rd Thursday of the month at 7pm.
Corner of Main at Birch in Union

LA GRANDE LIONS CLUB
Meets 2nd & 4th Monday of each month @ 12 PM
Union County Senior Center
1504 N. Albany St., La Grande

PINOCHLE
Fridays at 6:30 p.m.
Senior Center
2810 Cedar St., Baker City
Public is welcome

Baker County United "freedom rallies"
3rd Thursday each month
6 p.m. at the Sunridge
1 Sunridge Lane.
The public is invited

Kiwanis Club of Baker City
Tuesday at 12:00 PM
Sunridge Inn Restaurant
1 Sunridge Lane
For more information call:
(541) 523-6027

ROTARY CLUB of Baker City
Meets every Monday
Noon - 1 PM
Baker Towers Meeting Room

POWDER RIVER SPORTSMAN'S CLUB
Meets 1st Tuesday of every month
8th & Broadway, Baker City
6 PM - Pistolettes
7 PM - Regular Membership

114 Group Meetings

DO YOU HAVE....HURTS, HABITS and/or HANG UPS?
12 Step Biblical Support
Harvest Church
3720 Birch St. Baker City
Thurs., 6:30 - 8:30 PM

LA GRANDE GAMBLERS ANONYMOUS
Every Friday Night @ 5pm, 2107 Gekeler Ln, LG, Church of Christ basement. For more info please call 971-219-8411

NARCOTICS ANONYMOUS
Goin' Straight Group
Meetings:
Mon., Tues. Thurs. & Fri.
Start at 8 PM
Episcopal Church Basement
2177 1st Street, Baker City

OVEREATERS ANONYMOUS
Would you like to stop compulsive eating?
For Information Call 541-523-5128
Leave a Message
Email: ecapoa@live.com

PEOPLE with PARKINSON'S
Caregivers, Family, Friends
SUPPORT GROUP
Contact: 541-963-1486
Now meeting at GR Hospital first Thursdays at 4:30 p.m.
education@grh.org

AL-ANON
Attitude of Gratitude
Wednesdays: 12:15-1:30pm
Faith Lutheran Church.
12th & Gekeler, La Grande
Please wear a mask & practice social distancing
541-786-2051

AL-ANON FAMILY GROUP
Support for family & friends of Alcoholics
Tuesday evenings: 6-7pm
Joseph Methodist Church (basement on northside)
Joseph, OR
Contact 541-398-1398

CROSSWORD PUZZLER

ACROSS

- 1 Thick, flat piece
- 5 Nevada town
- 9 Score big
- 12 Roof edge
- 13 An astringent
- 14 Time to celebrate
- 15 Salchow relative
- 16 Align (with)
- 17 "The," to Wolfgang
- 18 Snake River loc.
- 20 Fresco base
- 22 Skywalker's father
- 25 Word of mouth
- 27 Musical symbol
- 28 Wildebeest
- 29 Not busy
- 33 Aunt or bro.
- 34 Corduroy ridge
- 35 Mo. multiples
- 36 Person's nature

DOWN

- 1 Neptune's kingdom
- 2 Careless
- 3 Livy's hello
- 4 Conviction
- 5 Elephant owner, maybe
- 6 O.T. priest

Answer to Previous Puzzle

W	A	S	P	E	R	A	S	B	A	R			
E	L	I	A	V	A	N	E	Y	I	N			
A	S	A	N	I	R	A	Q	C	D	S			
R	O	M	A	N	C	E	U	G	H				
				C	O	T	R	I	B	A	L	D	
E	B	B	E	D	Y	O	N	N	E	E			
A	R	E	A	T	E	D	I	C	E	S			
S	I	L	B	A	T	C	L	E	R	K			
Y	E	L	L	E	D	C	U	L					
				H	A	D	F	I	R	E	A	R	M
E	G	O	E	T	O	N	G	L	A	D			
L	A	P	C	A	G	E	A	M	P	S			
S	I	S	K	E	Y	S	L	A	T	E			

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HELLO TO GOODBUYS In The Classifieds

Say HELLO TO GOODBUYS In The Classifieds

105 Lost & Found

La Grande

FOUND: 2 cardboard boxes on Island City strip on 6/24/22. Boxes contain plastic tubing. Call 541-786-8034

114 Group Meetings

NARCOTICS ANONYMOUS
541-805-2229
neo-na.org

AA MEETINGS - La Grande
Wednesday Nights, 7-8:15pm.
Fort Union Grange Hall, corner of McAlister & Gekeler Lanes. For more info, call 541-786-1222

AL-ANON
Keep Coming Back Family Group
Mondays, 7 pm
at NKWest, 1208 Adams, La Grande, OR

CELEBRATE RECOVERY
Calvary Baptist Church
Third & Broadway
Baker City, OR
EVERY THURSDAY
6:15 - 8:00 PM

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