

ECONOMY IN CRISIS

Wary eyes watch investments

Bill Vidonic
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At the age of 61, Sam Secrest Jr. is approaching retirement from Nova Chemicals Corp. in Potter Township.

But instead of enjoying that journey into his golden years, Secrest, of Center Township, is wondering these days just what retirement may hold for him with the recent economic whirlwind of plunging stock markets and proposed government financial bailouts.

"Right now, it looks bad," Secrest said Friday. "I don't foresee (an improvement) coming any time soon."

Secrest isn't alone in that thought. With the economy taking a roller coaster ride, folks throughout the country have been keeping an eye on their retirement accounts, including pensions, 401(k) accounts and IRA accounts.

Many financial advisers are urging people to stay the course, because when the stock market goes down, it invariably goes back up again.

Georgia Niznik, 48, of Economy, said she's counting on investment income to help send her son, Brandon, a junior at Ambridge Area High School, to college soon.

With the turmoil in the markets, she wonders if her son will end up taking out student loans, if she'll have to return to work, if her husband will have to work longer.

But for now, she said of her investments, "I leave it alone. I don't touch it."

Bob Sichak, 66, of Racoon Township, is retired after working at LTV Steel and Pittsburgh Tube and says he's lucky, because the Pension Benefit Guaranty Corp. has taken over his pension payments.

"If they default, then I have a problem," Sichak said of PBGC.

Sichak said he also depends on Social Security money. He said he talked to his investment adviser last week about the turmoil and was told, "Let it go and see what happens. You're not going to lose."

Dolores Noss, 77, of Conway, said her financial adviser gave her similar advice.

"He said not to worry, and that's good enough for me," Noss said.

She said Social Security and investment income "are a major part of my life," so she's been paying attention to what's going on in the financial markets. She said while her last month's financial statement showed everything was OK, she wasn't sure what news the next statement would bear.

"I may be going to Kmart, not Macy's," Noss said.

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WHEN CLOSING IN ON RETIREMENT

P.J. DiNuzzo, president/founder and chief investment officer of DiNuzzo Investment Advisors Inc. in Beaver, said that when a person gets within five years of retirement, he should reallocate his retirement investments, taking a more conservative approach.

He said folks shouldn't be overly worried about their investments despite the constant barrage of bad news from the media.

"Fear is in vogue now," DiNuzzo said.

Financial adviser Rick Crumrine of Beaver said that people who are about 40 years old have little to be concerned about, because "they've got 20 years" for the markets to improve.