

Case 3: Portfolio management

The Stable Growth Investment Fund manages a portfolio of stocks and bonds for its clients. They are faced with a situation where the stock market has begun to decline and want to take action to mitigate the losses of their investors.

Questions:

1. What portfolio management strategies can they use to reduce the impact of stock market declines?
2. What assets can be safe havens for investors during periods of stock market instability?
3. What factors should be considered when choosing a portfolio management strategy during periods of market instability?