

# The Retail Investors Guide to COVID-19

The COVID-19 pandemic has caused panic, uncertainty and loss in multiple areas of society, and Canadian capital markets are no exception. The increased volatility of stock markets has led to volatility and losses in many Canadians' investment portfolios. At a time when Canadians should be concerned about the health and safety of themselves and their families, financial uncertainty has added to the stresses of responding to the COVID-19 pandemic.

The Osgoode Investor Protection Clinic has published a [Retail Investors Guide to COVID-19](#) that provides practical advice for retail investors responding to investment portfolio volatility caused by the COVID-19 pandemic. It provides a list of Do's and Don'ts for retail investors and highlights common scams that all investors should be wary of. The full article also provides a list of available resources for investors who have fallen victim to a scam, fraud or received improper investment advice before or during the COVID-19 pandemic, including reaching out to the [Osgoode Investor Protection Clinic](#). The highlights of the article include:

## Talk to Your Adviser Before Making Investment Decisions

Many retail investors witnessed sharp declines in their investment portfolio value during the March 2020 market downturn caused by COVID-19. Seeing your savings dissolve seemingly overnight invokes a variety of emotions for retail investors. Many investors respond by selling their entire portfolio, purchasing new speculative investment products in an attempt to "time the market," or seeking out alternative investment products, such as leveraged loans, derivatives, or exempt market securities, in an attempt to quickly recoup losses. These are all risky investment strategies. Before making a rash decision, retail investors should talk to a registered investment adviser and determine the best investment strategy to withstand current and future market volatility caused by the COVID-19 pandemic. There is no one-size-fits-all approach to responding to market volatility. Retail investors should speak to a registered investment adviser about the best approach for their portfolio based on their personal financial circumstances and objectives.

## Avoid Common Frauds

The uncertainty caused by the COVID-19 pandemic has resulted in an increase in scams related to the pandemic. Scammers target individuals trying to quickly recoup their portfolio losses and vulnerable investors that have been isolated from their support systems due to quarantine requirements. To avoid scams, investors should be wary of anything that seems "too good to be true." This can take the form of a "get rich quick" scheme, a stock that is about to go up because the company has made a COVID-related breakthrough, or a new investment product with "higher returns and no extra risk." Investors should also avoid giving out personal or financial information in response to any unsolicited or online offers. Lastly, investors should remain informed of common scams by following fraud updates from regulatory bodies, such as the Ontario Securities Commission's online [COVID-19 scam information page](#).

## Know Where to Turn for Help

For more information on best-practices for retail investors during the COVID-19 pandemic, read the full Osgoode Investor Protection Clinic [Retail Investors Guide to COVID-19](#), visit the Ontario Securities Commission's online [COVID-19 investor information page](#), or review similar publications from [IIROC](#), [OBSI](#) and the [MFDA](#).

If you have been the victim of a scam or suffered losses from the mismanagement of your investments, you can contact the [Osgoode Investor Protection Clinic](#) for assistance, seek out legal advice, or contact your respective securities market regulator(s).