Investing advice from a pro: You are apt to make bad financial decisions, so stick to a plan.

Regions Bank Chief Investment Officer Alan McKnight also explains what's making him nervous these days.

Alan McKnight, Regions Bank chief investment officer.

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Alan McKnight is big on having a plan. Without one, he says it's too easy to stray from our investing goals.

McKnight, 47, knows of what he speaks. He's been in the investing game for more than two decades, and currently holds the title of chief investment officer at Regions Bank, one of the 35 largest in the country.

McKnight, who has degrees in economics and business and is also a chartered financial analyst, was in town from Atlanta recently to help clients understand the stock market turbulence.

During an interview with the *Tampa Bay Times*, he talked about everything from how we are wired to make bad financial decisions to the economic factors that keep him awake at night.

Here are excerpts, edited for length and clarity.

What's your advice for the average investor hoping to pay for medical care, contribute to a child's education or retire someday?

Come up with a plan associated with your goals. And be honest with yourself about the level of risk you are willing to take. Yes, we all get stressed, we all fret, but you shouldn't be to the point where you push the button that says, "Get me out!" That's the worst thing you can do.

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So why do so many investors do exactly that — bail out after the markets tank?

Psychologically, we are not very well equipped for that. If you look at all the behavioral economics research, it will tell you that the instinct to fight or flight is great on the savannah. It is not good in investing. As soon as things feel really bad and you are white knuckling the table, you are going to make a decision that will have a long-term impact that is probably exactly what you shouldn't do.

What are the odds that you are going to get out at the right time and then get back in at the right time, because you are going to have to get back in if you are going to meet your goals. Professional investors, institutional investors, individual investors, (none of them) have proven adept at doing that.

What about the truly risk-averse investor?

Have a conversation with a good financial adviser. Discuss the tradeoffs. If you don't want any risk, then you will have to save more (or work longer). There is no free lunch.

As a whole, Americans haven't saved enough for retirement. Many have almost nothing put aside. Does that make you nervous?

Without a doubt. It does keep me up when you think of it in terms of the overall economy and the country. That is very challenging.

What worries us is that people often don't look at it. They don't even want to open their statement. (They think) maybe somehow it will just magically go away. That's common to a whole host of things, but I think in investments it's particularly acute, particularly given how hard so many folks were hit in the (Great Recession).

Before the last recession, many homeowners tapped their home equity in a way that put them in financial peril. Are you seeing similar behavior today?

We haven't seen on the national level this concept of the home as an ATM. People have not been pulling it out in what I'd say is almost the worst-case scenario, which is pulling it out and spending it or pulling it out and putting it in markets or volatile asset classes. I haven't seen that happening, which is good.

Millennials, especially ones who graduated from high school or college right after the Great Recession, had a tough start to their careers. Do you see things improving for them?

I do. It's taking them longer to get to where they would have envisioned themselves to be at this point. But (more recently) they have been the beneficiaries of a job market where they are able to get jobs. It's not like in a recessionary period where it's dried up and you come out of college and you say, "I don't know if I can find a job."

What else should millennials expect?

One of our big themes over the next 10 years is the silvering of the globe and the demographics shift that is going on. Millennials will likely be working longer with a longer life expectancy. When you think about what that means, it's the mind-set of it's going to take me a little longer in terms of a savings perspective or a salary perspective, but guess what, I'm likely going to work significantly longer than my grandparents did because I'm going to live a lot longer.

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How are you feeling about the economy?

The economy is still in a good position when you think about it on a national level and a local level. We are still on sure footing.

What's your forecast for how many times the Federal Reserve Bank will raise interest rates this year?

We have one hike in our outlook.

What about trade disputes and tariffs? How much influence are they having on the economy?

We don't see global growth in jeopardy right now. We think that even with the tariff **dialogue** that we can come to a resolution on some of the issues and the economy will still chug along.

(Whether it be challenges from rising interest rates, trade disputes or other factors) we think they are manageable. It certainly is not easy. There are a lot of concerns out there, but we think that over time we can find solutions and still get to 2½ percent or (slightly higher) growth in gross domestic product this year in the United States.

What is your long-term outlook for the markets?

We do a 10-year capital market forecast, and we think global equity markets will be in a range of 6 to 6½ percent (annual return) over time. We think that there are still long-term opportunities in stocks. Bonds will continue to be a challenge.

You seem fairly bullish. Anything keeping you up at night?

The things that give us pause: We aren't able to come up with solutions from a global growth perspective and that things get worse and they get worse quicker than we anticipated. So take the Euro zone. Things are slowing. Germany is not doing well right now. There are issues with Brexit.

The fact that Japan really has not been growing for a very long time and has a serious demographic issue. Interest rates are effectively zero in Japan and they have yet to really come up with an effective solution as to how to raise population growth and how to over a (long) period really grow their economy.

It's hard to assign a probability to the final one, which is the overall China situation. That's not just the tariffs, but what is going on in China with the slowdown. It had the slowest growth rate in over 20 years. How much are they slowing? What does that mean for their desire to work on the tariff side and also what does that mean for stability within China.

In each of those cases, we don't see anything in the indicators that we are going to have that Wile E. Coyote moment.

What about corporate debt, which by some measures has reached record levels?

It's a concern. Typically when it peaks, that is a pretty good indicator that things are going to get more challenging. And if rates continue to go higher it makes it a lot harder for companies to recycle that debt. If you get the double whammy of rates continue to go higher and growth continues to slow, that's a pivot point where if you are holding a lot of debt you can get hurt.

It hasn't put (companies) in jeopardy yet. So far we haven't seen bankruptcies pick up. We haven't seen defaults pick up. It's something we are watching really closely, but we haven't seen it yet.

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