



Practical Wealth Creation Ideas

...for Simplified Financial Success™

Financium.com



Enjoy the Experience of Investing EVEN IN A LAZY MARKET

Economists will tell you that if you invest a lump sum in the stock market in large-cap stocks, you will have a lot more money in the future than

if you hesitate, investing a little here and a little there. Perhaps, but it is of little consolation to people whose apprehension causes indecision as to when to invest.

Are you the kind of investor that lies awake at night worrying about a potential market crash and possible paper losses on your mutual funds? Such an investor always has the jitters. If the market is surging upwards he or she might say something like; "surely the bubble will burst so I'll wait to invest after the bull market is over". On the flip side during

a market correction, a thought like this may occur; "the TSE has just dropped another 50 points, I had better hold off". The timid either invest and worry, or they continue to procrastinate due to fear. Does this sound like you? If so, here is a way to access a little courage in order to enjoy the experience of investing.

You can invest a given amount every month or quarter on a consistent basis in a mutual fund. In fact, in the worst case scenario, when the market is dropping in value there is a bonus. While the fearful investor is yanking his money out of the market, you will be buying mutual fund units at cheaper prices. Referred to as dollar-cost-averaging (DCA), this method of regular investing injects discipline into your investment strategy. Dollar cost averaging forces you to save before spending your money in dribs and drabs on unnecessary things when you delay your investing due to fear and trepidation. When your courage rises, consider a combination of DCA and lump sum investing with the help of your financial advisor.