

As a stock broker, I am asked about investing secrets on an almost daily basis. One of the most frequent questions that I hear is which stock is the best one to buy. Everyone has seen a movie, read a book, or heard a story where the hero made it big overnight because of a few shrewd investments. This does happen from time to time, but it is by no means a sure thing. Even the best stocks can fail, and you never know when your luck might turn against you. If you are trying to be an investor, don't worry about finding the one best stock. Instead, build up a diverse portfolio.

When people ask about the best stock, they are usually looking for what is referred to as a high-risk stock. These stocks can go up or down with no warning. They are traded at high risk by day traders who know how to buy and sell stocks quickly and make a lot of money off of it. You buy low, sell, high, and then go onto something else. You never look back, keeping a constant rhythm of lucrative trades.

The problem with this approach is that it is as easy to lose money as it is to make it. Even the very best penny stocks can crash for no apparent reason when you least expect it. That is why the best stock portfolio does not rely exclusively on these risky trades. You want to mix things up whenever you get the chance. Buy a few risky stocks, but also spend some money on stable, long-term investments that stand a better chance of succeeding. That way, even if your risky investments do not do all that well for you, you won't be out a lot of money. You will have stable investments there to cover any losses.

The best stock investors do not rely totally on their gut instincts, but they do not go totally by the numbers either. It is really crucial that you take in as much info as possible before you get in to the market. Once you do that, you can consider yourself ready to play the stocks. Your instincts will be worth something, because you will know just what you are doing. You will not be ignorant of the rules of the market, so when you see the best stock, you will know it and grab it!