

Investment Strategy

Because investing is not a sure thing in most cases, it is much like a game - you don't know the outcome until the game has been played and a winner has been declared. Anytime you play almost any type of game, you have a strategy. Investing isn't any different - you need an investment strategy.

An investment strategy is basically a plan for investing your money in various types of investments that will help you meet your financial goals in a specific amount of time. Each type of investment contains individual investments that you must choose from. A clothing store sells clothes - but those clothes consist of shirts, pants, dresses, skirts, undergarments, etc. The stock market is a type of investment, but it contains different types of stocks, which all contain different companies that you can invest in.

If you haven't done your research, it can quickly become very confusing - simply because there are so many different types of investments and individual investments to choose from. This is where your strategy, combined with your risk tolerance and investment style all come into play.

If you are new to investments, work closely with a financial planner before making any investments. They will help you develop an investment strategy that will not only fall within the bounds of your risk tolerance and your investment style, but will also help you achieve your financial goals.

Never invest money without having a goal and a strategy for reaching that goal! This is essential. Nobody hands their money over to anyone without knowing what that money is being used for and when they will get it back! If you don't have a goal, a plan, or a strategy, that is essentially what you are doing! Always start with a goal and a strategy for reaching that goal!

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