

Investing Mistakes to Avoid

Along the way, you may make a few investing mistakes, however there are big mistakes that you absolutely must avoid if you are to be a successful investor. For instance, the biggest investing mistake that you could ever make is to not invest at all, or to put off investing until later. Make your money work for you - even if all you can spare is \$20 a week to invest!

While not investing at all or putting off investing until later are big mistakes, investing before you are in the financial position to do so is another big mistake. Get your current financial situation in order first, and then start investing. Get your credit cleaned up, pay off high interest loans and credit cards, and put at least three months of living expenses in savings. Once this is done, you are ready to start letting your money work for you.

Don't invest to get rich quick. That is the riskiest type of investing that there is, and you will more than likely lose. If it was easy, everyone would be doing it! Instead, invest for the long term, and have the patience to weather the storms and allow your money to grow. Only invest for the short term when you know you will need the money in a short amount of time, and then stick with safe investments, such as certificates of deposit.

Don't put all of your eggs into one basket. Scatter it around various types of investments for the best returns. Also, don't move your money around too much. Let it ride. Pick your investments carefully, invest your money, and allow it to grow - don't panic if the stock drops a few dollars. If the stock is a stable stock, it will go back up.

A common mistake that a lot of people make is thinking that their investments in collectibles will really pay off. Again, if this were true, everyone would do it. Don't count on your Coke collection or your book collection to pay for your retirement years! Count on investments made with cold hard cash instead.

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