



Investing Wisely: Smart Strategies for Beginners

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As with many things in life, getting started with a savings and investment plan may be the hardest part. Don't put it off any longer! No matter what your current financial situation may be, you can start saving and investing with these common sense tips:

Slow and Steady Wins the Race

One of the most important concepts of investing is that time is your friend. The more time you have for your investments to grow, the more you will benefit from the compounding of interest. Even if you can only afford to set aside \$10 out of every paycheck, it is important to start investing early.

Risk vs. Return

Another common sense principle to keep in mind, is that your return on an investment will always be in direct proportion to the risk involved. If you're earning 1% on a savings account, that's because there's almost zero risk involved. On the other hand, if you're offered something that pays a high rate of return, make sure you understand all of the risks involved, and that you read the fine print.

Short-Term or Long-Term?

How long do you have before you'll need access to your money? If you're nearing retirement, you'll want to move your funds into safer, more liquid investments such as a Share Certificate or Money Market. If you have several years or decades, consider options that have historically performed well over the long-term, such as stocks, bonds and mutual funds.