6 principles for informed investing

While you can't predict the path ahead, these investment basics can put you on sure footing.

Spread the wealth

Think of **asset allocation** as distributing your "eggs" into a variety of "baskets" – like stocks, bonds and cash – so your portfolio doesn't rely on a single investment and can help shield against market volatility.

Put time on your side

Your **time horizon** – the period between today and when you'll need to start using invested funds – will determine whether you weight your investments toward growth and greater risk (long time horizon), or toward stability (short time horizon).

Start multiplying

The longer you hold an asset, the greater your opportunity to earn interest on your interest. This is known as **compounding** and can grow a modest investment into a substantial sum over time.

Give yourself a raise

Contributing fresh funds into your portfolio can accelerate its growth, whether through lump sum investing – investing a full amount at once – or through strategies like dollar cost averaging, which invest a fixed amount over time.

Hold the line

Though past performance does not guarantee future results, the stock market has historically trended upward over the long term. **Staying invested** with a diversified portfolio can help reduce your risk and improve your opportunities for gain.

Schedule annual checkups

Staying invested doesn't mean staying the same. You should **revisit** your portfolio at least annually to account for market shifts and changes in your goals or circumstances.

RAYMOND JAMES

INTERNATIONAL HEADQUARTERS: THE RAYMOND JAMES FINANCIAL CENTER 880 CARILLON PARKWAY
ST. PETERSBURG, FL 33716 // 800.248.8863 // RAYMONDJAMES.COM

The foregoing information has been obtained from sources considered to be reliable, but we do not guarantee that it is accurate or complete, it is not a statement of all available data necessary for making an investment decision, and it does not constitute a recommendation.

Investing involves risk and you may incur a profit or loss regardless of strategy selected, including diversification and asset allocation.

Dollar-cost averaging cannot guarantee a profit or protect against a loss, and you should consider your financial ability to continue purchases through periods of low price levels.

Past performance is not a guarantee of future results.

Holding investments for the long term does not insure a profitable outcome.

Rebalancing a non-retirement account could be a taxable event that may increase your tax liability.