

Tips for beginners



Mentor in a minute

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There's always an element of risk when buying shares. A way to minimise the risk is by doing your research and thinking carefully about how you time your entry.

One of the first rules of investing is diversity. Don't put all your eggs in one basket. Build a portfolio with multiple stocks from a range of sectors to reduce your exposure to sector weakness.

Do your own research and stick to what you know. Try not to get caught up in other people's enthusiasm for a share, especially if it's in a sector you know little about.

It doesn't always pay to follow the crowd. By the time something makes the news, the smart money may already be in, or out, of that company's shares.

Finally, don't forget to do your sums. Only invest in what you can afford and be sure to factor in any broker commissions on buying and selling before calculating your exit price. When it comes to selling, be sure to consider any tax implications. If ever in doubt, it's a good idea to contact your accountant or taxation professional.

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