GUIDE TO INVESTING

1. OPEN A BROKERAGE ACCOUNT

Selecting a brokerage is a matter of personal preference. Many of the big names offer free educational and research tools. Some brokers that you should consider include Robinhood, TD Ameritrade, Vanguard, and WeBull. Other important things to remember include their mobile app functionality and minimum deposit amounts.

If you are looking for something basic, then Robinhood is a perfect fit. For tools and research tools, TD Ameritrade is a better fit. A brokerage needs to be enjoyable for you to use and trustwrothy.

2. FUND

Now, it's time to select stocks or mutual funds. The possibilities are near endless, but it's important to remember that passive investing works better over decades.

Within your brokerage account, you can select from stocks, bonds, ETF's, and mutual funds. The goal is to consistently contribute to your account and invest. Time will compound your growth, bringing more momentum to building your wealth.

To remain consistent, set up recurring deposits, automating the investing process.

3. TECHNICAL INVESTING

First, you can invest using technical analysis. This is when you pull up a stock chart and analyze the movements and patterns. The idea behind technical investing is to study human behavior and attempt to understand if the current trend will continue or reverse.

Technical analysis also brings with it many tools and indicators to help you analyze stocks. The drawback to technical analysis is that it leaves out the fundamental health, or the financial well-being of the underlying company. Still, it remains a popular analysis method.

4. FUNDAMENTAL INVESTING

Fundamental analysis is another form of strategy to invest in the market. Investing using fundamental analysis means that you research and analyze the financial health of the company. This can include:

- P/E Ratio
- Debt to EBITDA (Leverage)
- Free Cash Flow (FCF)
- ...And Much More!

This allows you to better understand if the company's operations are sustainable long-term and bring value to stock holders. Using this analysis takes time and a solid understanding of finance.

Luckily, there are several websites and tools that quantify fundamental data and detail the info in an easy to ready format. While it takes time, it can yield very nice returns.

5. DIVERSIFY

Diversification is important. This means simply, don't put all your eggs in one basket. The reason being is, for example, if the technology sector starts going down, and all your stocks are in tech, your whole portfolio would be negatively impacted.

To help eliminate this risk, ensure you put a little bit into a few different areas or sectors. This helps to keep your investment steady and growing year-over-year.

Mutual funds are a good way to diversify because they track the overall market. For example, one may track the entire S&P 500. This helps you because you don't need to research individual stocks and can let your money grow with minimal work. However, you want to research the fund before investing in it.

6. MAINTNANCE

The final thing is you want to maintain your portfolio. This means at least annually, you want to make sure your portfolio is lined up with your investing objectives. For example, as you get older you may want to be less risky, moving money into less volatile investments.

This is also a great opportunity to potentially sell any stocks that have severely underperformed or take profits on huge gains. Doing so allows you to put money to work elsewhere.

Investing is a long-term game, meaning you don't want to watch your stocks every minute of every day. Instead, monitor from a distance and adjust when necessary.

Putting your money to work early and often will pay dividends (pun intended) for years to come.