



Prudential Investment Managers
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Investing: How to start

Investing can seem incredibly daunting for beginners. Fortunately, it's actually a lot easier than you think. To help you out, we've put together a brief overview on how to start investing: from what to expect, who to speak to and what your investment options are.

Before you start

The first thing to understand about investing is that it takes time and patience, especially if you're in it for the long term. It's full of emotional highs and lows and you may see the value of your investment rise and fall like a rollercoaster. In these instances, it's important not to let your emotions cloud your judgement or drive your decision-making. The best way to build wealth through investing is to be consistent through all the ups and downs.

Who to talk to

If you lack the time or confidence to make your own investment decisions, you may want to consult with an independent financial adviser. A good financial adviser will take the time to explain what your investment options are and help you navigate the investment landscape. To find a financial adviser near you, simply visit the Financial Planning Institute website. Alternatively, if you happy to make your own investment decisions and only require a bit of information around your options, feel free to contact us on the details below or use our [self-directed tools](#).

Your investment options

This is where many beginners get completely lost. As soon as you start hearing words like equities, bonds or property, you might regret your decision to drop accounting to pick up art in Grade 10. Don't stress. Those terms are fairly easy to understand, and once you know what your options are, you'll quickly start to enjoy your investment journey. The important thing to know is that when you invest in a unit trust the fund manager will choose which asset classes to invest in, so you don't have to. The only decision you'll need to make is which unit trust to choose, based on your investment goals, time horizon and risk tolerance. This is where a financial adviser really comes in handy. Alternatively, if you prefer to make the decision yourself, feel free to use our [fund selector tool](#) to see which options are available.

How to start

Some people prefer to wait until they have already built up a reasonable amount of wealth before they start investing. In many cases, this is a mistake, as it robs you of the benefits of compound interest. Compound interest adds interest to interest to interest – so it builds on your initial investment, and then on the returns on that investment as well. That's why it's best to start investing early. Investing doesn't have to cost you a fortune, either. When you invest with Prudential, the minimum starting amount is a R2000 lump sum or a monthly minimum of R500, depending on the fund you choose. And once you're ready to invest, the process is as easy as completing a short online application form.

For more information visit the [New to Investing](#) section of our website. Alternatively if you have any questions, please feel free to contact our Client Services Team on 0860 105 775 or email us at query@prudential.co.za