



Prudential Investment Managers

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# Three good reasons why you need a financial adviser

The first week of October is packed with financial planning initiatives around the globe, such as Financial Planning Week in South Africa and World Financial Planning Day on 6 October. These remind us how important it is to have a financial plan and encourage us to take steps towards realising our financial goals.

To create a proper plan, it's crucial to consider where you want to be and how you can get there from where you are today. If you lack the time or the necessary expertise to construct your own financial plan (as is the case for most of us), a qualified financial adviser can be of great help, as they are best-equipped to help you draw up – execute – and stay on course to reach your financial goals. Here are three reasons why.

## 1. A financial adviser has both the qualifications and the experience to guide you

Some advisers only provide advice while others are able to invest on your behalf, but both should be qualified and registered accordingly.

The type of financial adviser that's best suited to your needs will largely depend on your financial requirements, as well as the size and complexity of your investment portfolio. That said, everyone can benefit from having a financial plan in place no matter how small or large their investable amount. After all, it usually takes only small and consistent contributions to reap big rewards, and a trusted adviser can help you get there. Try our [Past Performance](#) tool to see just how much a small investment amount each month would be worth today if you had started sooner.

Keep in mind that sound financial advice does come at a cost, which can be negotiated with your financial adviser. However, it's worth remembering that the value of good advice can be priceless, particularly when your entire financial situation has been considered and included in your plan. Advisers know how to take into account potential risks that might impact your desired outcomes, taking into consideration factors such as inflation and other risks that might arise. These can be very difficult to work out for yourself!

## **2. A financial adviser can remove emotion from investment decisions**

While an adviser may care about your wellbeing and financial success, the decisions that need to be taken should not be emotionally driven. Advisers are practised at being objective, even though these same decisions may be difficult for you. When it's your own money, you are always more emotionally invested, especially when markets are volatile. At that point, an adviser can be your best investment by preventing you from selling out of fear, and therefore realising actual losses that would only have been on paper.

## **3. A financial adviser can be your cheerleader and your coach**

It's not easy to commit to a plan that could take at least two or three decades to achieve, but your financial adviser can keep you motivated and on course, even when the going gets tough. As their emotions are not part of the equation, input from an adviser is extra helpful in difficult economic times. They can outline the possible positive and negative impacts of your decisions and not only encourage you but also guide you in the right direction, as needed.

## **Don't waste any more time**

This Financial Planning week is a good reminder to get your financial plan in order, so don't put it off any longer. Planning your financial future is an ongoing process, because if anything changes in your life, your goals and plan may need to change as well. A financial adviser has a good understanding of how to adjust your plan when life throws you a curveball, or your financial responsibilities change. Even if your goals and circumstances stay largely the same, it's still important to check in with your adviser at least annually to ensure your plan is on track.

On the topic of change, we'd like to remind you that we are changing our name and the names of our funds to M&G Investments to reflect our new global identity, before the end of the year. Despite this, we will still offer the same high standards of investment performance and client service across all our funds.

For more information, please feel free to contact our Client Services Team on 0860 105 775 or email us at [query@prudential.co.za](mailto:query@prudential.co.za).