

# Top 3 things investors wish they knew

## Introduction

It happens to the best of us—that moment when we think, “I wish I’d known this sooner!” For a lot of people, it hits when investing. That’s why we’ve gathered a few things seasoned investors wish they had known sooner, like:

- Compounding helps your money grow faster, so investing early is a big plus.
- Introducing small habits can help you save more and resist the temptation to spend.
- Investing in a balanced fund can give you instant diversification across stocks and bonds.

## Time is on your side

The earlier somebody invests, more risk their portfolio can withstand. That is because the portfolio has more time to earn compound interest or bounce back, this way the investments can be more aggressive.

Compound interest: investments grow over time as continuing to reinvest the starting amount plus each year’s returns. Simply put, the longer the money is invested, the more return seen.

## Max out your savings, not your credit card

Cutting costs can lead to more money in a portfolio. Swapping out that 3 dollar coffee for a homemade stuff can help to invest what would have been spent.

Taking advantage of little extra cash (raises, bonuses, etc.) and investing it. No one can be tempted to spend that money if it is not sitting in the bank account, and that would make a benefit in the long term.

## Balance things out

Investing across stocks and bonds (diversification) is a way to grow money while reducing risk. Balance funds, offer diversification in a single investment.

**Note:**

- All investing is subject to risk, including the possible loss of the money you invest.

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