Johannesburg, 16 July 2020 - The stock market can be volatile, but it’s a market that many people will delve into at some point in their lives whether directly buying shares or through their employer retirement saving fund. Bheki Mkhize, FNB Wealth and Investments Solutions CEO believes that, “Investments should form a core part of any financial planning, even during uncertain times. While we try to make sense of the economy during this current COVID-19 impacted period and get used to this new ‘normal’, many people still question whether it’s the right time to invest and where to invest.

“The market has experienced a strong start to the month as it continues to claw back losses from earlier this year. Over the past four months we have seen many shares falling sharply and then rise again; at the same time, there were shares that were resilient and came out stronger than before. This period once again emphasized the need to stay invested even during significant market crashes,” he adds.

This lockdown presents an opportune time for investors to reflect on their investment goals. These goals could be short term like saving for an emergency that may arise, or long-term like saving for retirement. The current pandemic which has impacted many through reduced income and job losses has shown the value of having regular monthly contributions towards emergency savings. This will also lead to avoiding having to dip into long term investments. While investing comes with a certain amount of risk, one should always take a long-term view. Returns which exceed inflation take time and require patience in order to ride out any short-term price volatility. Saving and investing is most effective when done consistently and when done over a long period of time.

“There is a belief that saving and investing is exclusively for people with money which is not true. People across all income segments will find benefit in saving and investing. “says Mkhize.

Investors have various easy options to start their investing journey like putting their money into a Tax – Free Shares Account (TFSA) or even a Unit Trust. Unit trusts can be a great investment vehicle for
the beginner investor as they will give them access to financial markets but through a fund managed by experts. They can also be used by a variety of investors regardless of their market knowledge.

“There is no better time to invest than now. Use this July savings month to kick start your savings or investment journey if you haven’t already,” concludes Mkhize.

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