

10 golden rules of investment



1. have a plan

It is often said that those who fail to plan, plan to fail. If we all spent as much time planning our financial affairs as we do on planning our holidays, we would all be better off financially.

2. get independent professional advice

For your own protection also get it in writing.

3. never put all your eggs in one basket

Generally speaking, the more you spread your assets across the various standard asset types (shares, property, fixed interest and cash) and between a variety of fund managers, the more resistant your portfolio will be to serious damage.

4. understand the risks

It is often said that the higher the return the higher the risk. The mistake a lot of people make, is to confuse return for performance. Chasing high returns over the short-term makes you a speculator. Prudent investors look for consistent returns over the long term. Short-term fluctuations don't trouble investors because it's the long-term behaviour of their chosen assets which they focus on.

5. don't lock yourself in (or out)

This means investing your money in such a way that you can access it quickly if you need to. You must, at all times, be ready to quickly and cheaply rearrange your assets if necessary to either avoid a threat or to take up an opportunity.

6. minimise tax

It is important that you are saving in a tax efficient way. Saving tax legitimately is one way you can increase your returns without increasing risk. While it is important that you take tax savings into account, this should not be the driver of your decisions.

7. keep good records

So many people lose tax deductions and other benefits to which they are entitled because they have not kept proper records. Yes, it is tedious but unless you (or your adviser) are keeping all the records it could cost you more than just inconvenience.

8. keep your finger on the pulse

You should revisit your plan often to ensure that it is doing everything you expect it to and to ensure that your investments are performing appropriately. You should expect change, and change will need to be dealt with. Don't fall into the trap of 'setting and forgetting'.

9. do proper estate planning

It is vital to plan your estate. While it is important that you have a will and update it regularly, proper estate planning ensures that your assets are structured in the most effective way. Together with this, make sure that you have sufficient life cover and insurance and that it is all clearly integrated into your estate.

10. pass the sleep test

If you are being kept awake at night worrying about your investments, then either you are taking too much risk or you are unsure of what you are doing.

who is acsis?

acsis is an independent asset consulting and financial planning company. We develop and implement effective investment strategies for individuals, corporations, institutions, retirement funds and professional firms.

acsis bases its success on a progressive approach to investment advice and financial planning. This approach is founded on the principles of lifestyle financial planning, pioneered by **ipac**.

acsis owns the license to **ipac** in South Africa exclusively and in perpetuity. This strategic partnership with a global leader in the field of investment advice and financial planning provides **acsis** with a unique blend of local substance and strength with global resources.

ipac, through its parent company AXA, is a truly global financial services group. AXA is one of the world's top three financial services companies and one of the world's top 40 companies when measured by annual revenue. AXA bought **ipac** to acquire the uniqueness and robustness of the **ipac** investment advisory process, which is regarded as a world leader.

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contact us

Cape Town

Physical Address:

6th Floor, The Terraces
25 Protea Road
Claremont 7708

Telephone:

+27 (21) 670 7800

Email:

info@acsis.co.za

Fax:

+27 (21) 683 2831

Web:

www.acsis.co.za

Johannesburg

Physical Address:

Cullinan Place, Block A, 1st Floor, Left Wing
2 Cullinan Close
Morningside 2196

Telephone:

+27 (11) 883 1303

Fax:

+27 (11) 883 2666

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