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CAPITALIZE TO MAXIMIZE YOUR FINANCIAL DESTINY

5 Secrets of investing for maximum portfolio growth

While there is no magic formula for successful investing, following these simple rules will keep you ahead of the game.

1. The future is now. Begin saving for retirement when you are young and you'll need to contribute less thanks

to compound interest. You will also cultivate an early understanding and appreciation for investing which will serve you well down the road.

2. Diversify. Famous investment guru, Sir John Templeton, said, "To avoid having all your eggs in the wrong basket at the wrong time, every investor should diversify". Mutual funds provide an outstanding way to invest in a wide range of stocks with just one purchase. Owning just one fund is probably not enough. To be safe, hold at least two: one Canadian and one foreign. Check to see that each is diversified by geography and industry. **3. Go global.** History has shown time and time again that a diversified global portfolio delivers higher returns with less volatility than its purely Canadian counterpart. Choose a fund that includes countries or regions that are safe and well established. Look for areas with low correlation to Canadian markets, such as Asia or France, which usually move independently.

4. Set investment goals and systematically rebalance quarterly. If one part of your portfolio has outperformed, re-evaluate things and bring them back in line. For example, you may have set your preferred asset mix at 60/40, (equities to bonds), and the equities have had a nice run. In this case, and on a quarterly basis upon review, go over your investment objectives. Where required, change your asset mix to keep in line with set objectives.

5. Stay on the course. Emotion and media-hype can obscure your investment vision. Understand your goals and stick with them. Don't buy something just because it is hot—that usually means it is too late. If markets become volatile, try dollar-cost averaging to keep you on track. Enlist the help of a trusted financial advisor who can take care of the day-to-day details, and who can let you rest easy.

Please seek professional advice prior to investing. Where mutual funds are considered, please read the funds' prospectus before investing. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments which are not guaranteed; their values change frequently and past performance may not be repeated. Any indicated rate of return is for illustration purposes only and is not intended to reflect future values of returns on investment. Financium, the publisher does not guarantee accuracy of information, and will not be held liable in any way for any statements or statistics in this publication, though we seek to present reliable, precise and complete information. Written permission of Financium who retains all rights, must be obtained prior to any reproduction. ©Financium. email: admin@adviceon.com [03/01/10]