

How to invest? This is the doubt that accompanies many people when making a financial investment. Defining the profile and objectives is just one of the steps in this whole process.

To know how to invest, it is important to have an active account with a stockbroker, knowledge about products and services within the financial market, and excellent financial planning.

But what are the proper steps to know how to invest the right way? Check below for more details on investment possibilities within the financial market in Brazil in 9 steps.

## 9 STEPS TO A GOOD INVESTMENT

Based on market experience, we have listed some steps that can guide investors when making a choice, how to invest safely, and avoid beginner mistakes:

1. Proper financial planning and clear goals
2. Definition of an investment profile
3. Opening a stock brokerage account
4. Clarity about investment deadlines
5. Understanding the risk-return ratio
6. Understanding the meaning of income
7. Beware of fees and taxes
8. Selection of good investments
9. Make a habit of focusing on investment

## PROPER FINANCIAL PLANNING AND CLEAR OBJECTIVES

The first step is to structure a plan. Planning is necessary for continuous **growth and development**. Financial life needs to be organized, from the first moments to the course of the investment.

With a plan, your goals will be established in the best way. In addition, the savings become clearer until the path of freedom and financial independence.

### Definition of an investment profile

An investment profile is your degree of tolerance for investment risks.

Each investment profile varies according to personal characteristics, the amount to be allocated, and risk level. Even the same profile does not need to be maintained for a lifetime.

Investors usually change their profile by taking on other business characteristics as they gain market experience.

## **Opening a stock brokerage account**

All existing investors in the market need to have an open and active account with a stockbroker. There is no possibility of accessing financial investments without it.

In the past, the process was more bureaucratic and usually done in person. Nowadays, with the modernization of transactions, it is possible to carry out this opening and follow-up without leaving your home.

## **Clarity about investment deadlines**

Here comes that famous short, medium, and long-term investment part!

Here, you define if they will be predetermined if they will last a lifetime or if they will simply cease to exist only later on.

All this can be elaborated side by side with the **investment rounds** and the way they will take place.

The importance of knowing your investment deadlines goes hand in hand with the well-defined objectives previously established. Therefore, it is important to be aware of this.

## **Understanding the risk-return ratio**

Investing money to earn profits is the objective, but this does not usually happen as quickly as we imagine. It is necessary to take some risks to obtain returns.

The greater the estimation regarding profit, the greater your risks. It is important to invest with the understanding that the estimated profit may not always be achieved in a short period of investment.

## Understanding the meaning of income

In the midst of all this, it is important to know the differences between [Fixed Income and Variable Income investments](#) and which financial products each income includes.

From this, the objectives will continue to be aligned according to income, and profit, estimated based on withdrawals.

## Beware of fees and taxes

Timing is not the only important factor to pay attention to. The investor must have fees, taxes, and other expenses within their budget.

Without this, all planning can be disorganized when the investor realizes that unforeseen financial events may occur.

## Selection of good investments

In the midst of this entire phase of project preparation, it is essential to prioritize the diversification of elements in investments, so it will be possible to reduce risks, expanding the potential for gain.

That is, maintaining a portfolio with an optimal number of assets, in addition to assets coming from different types, different sectors, and even different levels of risk.

## Make a habit of focusing on investment

All the above steps need to be daily habits. Being an investor requires study, dedication, and market knowledge. Networking can be vital in getting started.

Now that you know more about **how to invest**, get in touch, and [access our social networks for more information](#).