



Worried about your investments?

Your guide to

# Investing





At Welby we provide flexible solutions to meet your changing financial needs.

**FREE initial consultation**

Throughout life, many things can have a significant impact on your financial needs and plans for the future. At Welby we can follow your circumstances as your life journey progresses, from marriage and property purchases, to starting a family, business commitments, retirement and inheritance planning, even moving abroad; the list is endless. We are here to support all your plans. Our aim is to ensure that your financial plans remain relevant and on track for the future.

Our team of independent financial advisers are here to simplify the financial planning process. Our conversations with you are expertly focused on all aspects of your goals, alongside our knowledge to help you stay on the best financial path for you.

This guide focuses on **Investing**. We take time to understand your situation by assessing your income, expenditure, financial goals and attitude towards risk. It's also important to find the right investment features for you; different methods of investing will suit different circumstances.

This is where Welby can help, by building a suitable investment strategy to make your money work harder and in as tax-efficient a way as possible.



### The reassurance of Chartered status

Welby are proud to carry the prestigious title of Corporate Chartered status, awarded by the Chartered Insurance Institute. Welby demonstrate commitment to professional standards through ethical practice and an ongoing investment in expertise through continuous professional development.

For our clients, it shows dedicated customer service from our team and the capability to deliver the highest level of financial advice.

***Our highly skilled team is always at your service***



## Worried about my investments

### Why should I invest?

Inflation can seriously affect the value of cash savings over the medium and long-term, that's why it's important to look at alternatives to cash deposits to make your money grow. The stock market tends to do better than cash over the longer-term, providing an opportunity for greater returns on any money invested over time, allowing you to build your wealth.

### I'm concerned about losing my money

As an investor, you have to decide how much risk is right for you. Building an appropriate portfolio will incorporate strategies designed to help reduce risk, but it cannot be eliminated altogether.

It's important to remember that some market volatility is inevitable; markets will always move up and down; although market fluctuations can be concerning, you can rest assured that we have worked with you to formulate a financial strategy which is in line with your personal requirements. This can help you to look through 'the noise' to focus on what really matters.

And, of course, you should remember that volatility can also create opportunities for investors as well.

***We can help you to look through the 'noise' to focus on what really matters***

# Lessons from the past

As an investor, putting any short-term market volatility into historical context is useful. This chart of the FTSE 100 index since inception, details a series of significant events over the last 35 years or so. Despite a variety of market shocks and rebounds, the index still has a long-term growth trend.

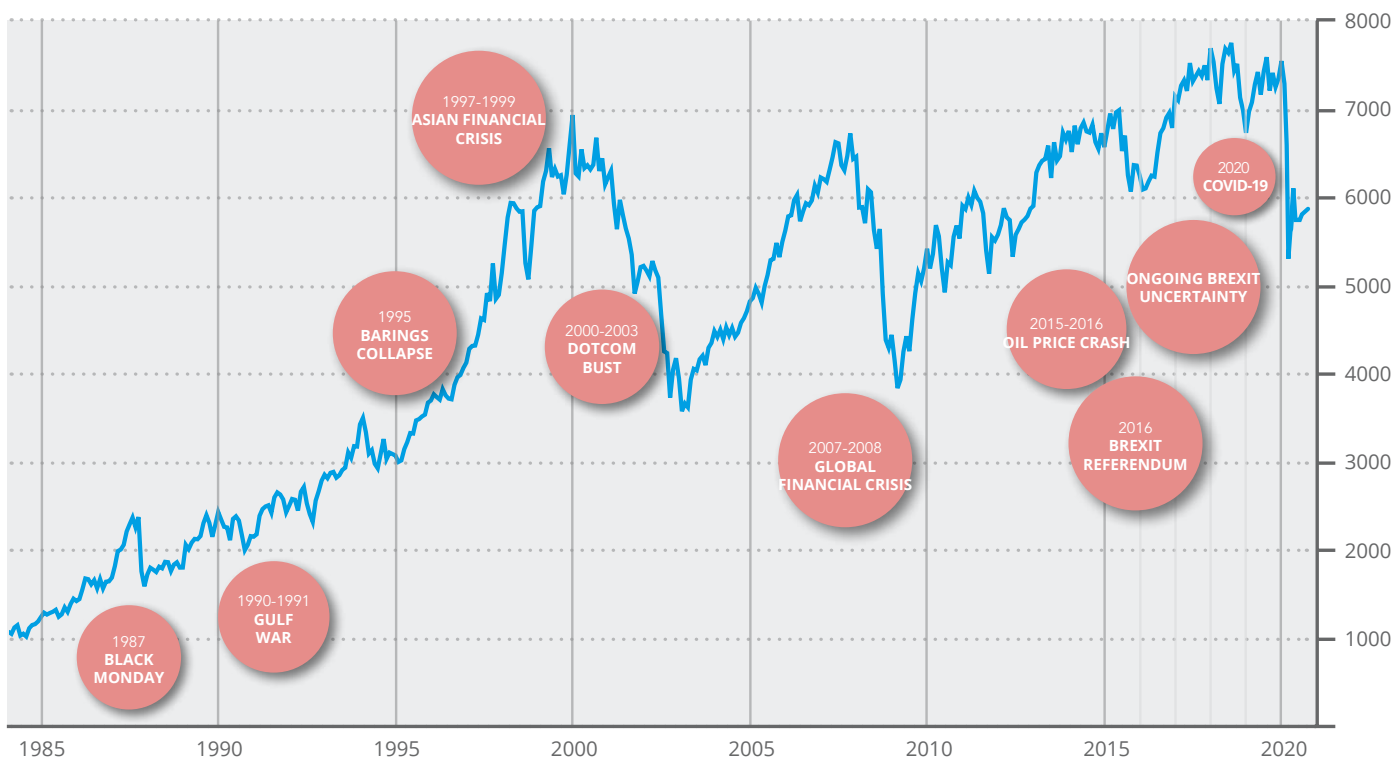


Chart: FTSE 100 since inception to 7 October 2020, source Yahoo and Trading Economics

## Diversification is key

Diversification is the term for spreading your money between different investments (asset classes) and different investment products. There are four main asset classes – cash, shares, property and bonds (or fixed interest securities). Diversification is often considered to be the number one rule when investing, as different asset classes perform well or badly at different times. No individual asset class consistently outperforms the others.

A portfolio that contains a selection of asset classes, spread across various geographical regions will be less volatile than an investment in a single asset class. By selecting a broad range of assets in line with your attitude to risk, objectives and time horizon, diversification aims to provide the potential to improve returns for your chosen level of risk.

***No individual asset class consistently outperforms the others***

The value of investments can go down as well as up and you may not get back the full amount you invested. The past is not a guide to future performance and past performance may not necessarily be repeated.



## The right strategy – step by step

- Before we make a recommendation, we will build up a picture of your overall personal financial circumstances, agree your goals and objectives with you, the areas you should prioritise, and assess your attitude to risk
- We will devise a strategy and asset allocation which complements your investment goals
- We consider what products best suit you and your circumstances by looking at all your options and making you aware of how the various products and investments differ
- Recommendations will be tailored to your needs, making sure you get the right balance between affordability, and the suitability of products and investments you need
- Regular reviews are essential so that we are aware of any changes in your objectives or circumstances and to help rebalance your portfolio where necessary.

## Risk

Before we can identify the best investment strategy for you, as a first step we work with you to identify the level of risk you feel comfortable taking; by looking at potential losses you would be prepared to accept in return for potential gains.

Once we have established your attitude to risk, we build a tailored investment solution in line with your objectives and attitude to risk.

## Taking the long-term view

Investment requires a disciplined approach and a degree of holding your nerve if markets fall. Experienced long-term investors know that the worst investment strategy you can adopt is to jump in and out of the stock market, panic when prices fall and sell investments at the bottom of the market.

***Successfully achieving your long-term investment goals requires balancing risk and reward over the long term***

## Communication – a vital part of the advice process

Getting into the habit of meeting with us regularly to update your objectives and any changes in your personal circumstances which may affect your finances, such as buying a house, losing your job or receiving an inheritance, is essential.

Where necessary, we can adapt your strategy and asset allocation to rebalance your portfolio if your investment goals change. Failure to rebalance after achieving good returns, could leave your portfolio with a risk level that is inconsistent with your strategy.

Planning is a continual process of anticipating and adapting to changes in your personal circumstances over the long term. Working with us means that you'll be benefiting from informed advice, reinforced by up-to-date market intelligence and years of experience.

## Be scam aware – trust your instinct

Unfortunately, the incidence of investment scams is on the rise, often targeting vulnerable people, such as those who have lost their jobs or are under greater financial pressure.

Government advice for consumers to protect themselves from fraud includes checking the company's credentials via a reliable source such as the Financial Conduct Authority's (FCA) Financial Services Register, being wary of deals that sound too good to be true, not giving out personal details, not clicking on links from unknown senders and seeking professional financial advice before making any decisions. To check whether an investment or pension opportunity is legitimate, you can use the FCA online scam checker, which can be found here: [www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)

If you are unsure about any financial opportunities that come your way, please contact us.





## The value of financial advice

You may be asking yourself whether it is worth taking financial advice.

Over the years, research has produced some interesting findings that highlight the benefit of taking advice when making financial decisions.

When assessing financial value, one study<sup>1</sup> found that individuals who receive financial advice were likely, on average, to receive **4.4%** more per annum in net returns. This was through a combination of financial planning, preventing behavioural mistakes, rebalancing portfolios and tax advice.

Elsewhere, another study<sup>2</sup> highlighted that receiving professional financial advice over a five-year period (between 2001 and 2006), resulted in a total boost to wealth (in pensions and financial assets) of nearly **£48,000** a decade later.

<sup>1</sup>Russell Investments, 2019

<sup>2</sup> ILC, Revisiting the Value of Financial Advice, 2019

## Why Welby?

We understand that investing can seem overwhelmingly complex. As well as helping you to understand which investments are most suitable for you and understanding your attitude to risk, we believe that successful planning involves a regular review of your circumstances and adapting to changes. This is why we like to work with our clients on a long-term basis, allowing you to maintain a professional relationship of trust with your adviser.

***We understand that investing is complex. We can set you on the right course and add value over the long-term***

The value of investments and income from them may go down. You may not get back the original amount invested. The Financial Conduct Authority does not regulate Tax Planning.

# Get in touch

If you have queries or would like to discuss any aspect of retirement planning, get in touch.

Call +44 (0) 2892 622 910

Email [info@welbyassociates.co.uk](mailto:info@welbyassociates.co.uk)

**FREE initial  
consultation**

**welby.**  
we work for you

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#### Welby



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The House of Vic-Ryn,  
Moira Road, Lisburn,  
Co. Antrim, BT28 2RF

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T +44 (0) 2892 622 910  
E [info@welbyassociates.co.uk](mailto:info@welbyassociates.co.uk)  
W [www.welbyassociates.co.uk](http://www.welbyassociates.co.uk)

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#### Chartered Financial Planners

Director: Glenn Welby

Company registered number NI630504, Registered address: The House of Vic-Ryn, Moira Road, Lisburn, Co. Antrim, BT28 2RF.

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