



Three Tips for a Successful Portfolio

When building your investment portfolio, keep the following three tips in mind.

>>>Why you should diversify your investments

It's never a good idea to keep most of your money in a single stock or investment. Even if the firm is solid, you never know what the future may bring. If the company tumbled, your money would disappear along with it. But if you spread out your investments in a variety of holdings, the damage caused by one of them turning sour would be minimized. Studies show that diversification may be the most important tool for successful investing.

>>>Give your investment portfolio a goal

The purpose of having an investment portfolio is not only to make more money. In order to create an appropriate portfolio, you need to first understand its goal. Are you saving for a vacation, real estate purchase, retirement, or simply to leave a large inheritance? Do you need your portfolio to cover your current expenses or future expenses? Keeping your financial objectives in mind makes it easier to build and monitor your portfolio's success. The most common goal that I discuss with clients is how to be sure they will have enough money to support themselves throughout their retirement. To help them out, I put together a 9-minute video that explains what tools they need in order to plan for their golden years. Watch it here: profile-financial.com/tools.

>>>Remember the taxman

Not all American tax-beneficial investments benefit Israeli citizens (i.e. municipal bonds), so if you made aliya and own "munis" in your brokerage account, consider swapping them for a different type of bond or investment. Research the investment that has the best tax advantage for you. American olim can still benefit from the tax advantages of a Roth IRA or a 401(k). Check with your Israeli accountant about the Israeli tax implications of your American accounts. Properly setting up the investments within tax efficient accounts may minimize taxes due.

A successful investment portfolio isn't only measured by the total on your monthly statement. A truly successful portfolio enables you to live the lifestyle you want, be it providing steady dependable monthly income, peace of mind so you can sleep at night despite market volatility, or disposable income to live out your dream.

If your portfolio doesn't meet these benchmarks for success, consider meeting with a professional financial advisor and qualified tax accountant.

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- learn investment strategies from the world's best investors,
- improve your retirement plan, and
- build healthy financial habits.



Every show includes a discussion with an expert on how to invest for success. Host Douglas Goldstein, CFP® uses his 25 years of experience as a financial advisor to make money concepts simple to understand. Practical lessons give you tools and tips so you can make real changes. Contact Doug at Doug@Profile-Financial.com or call +972-2-624-2788.

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