A Guide to Making the Most of Your Savings

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In this Guide, you'll discover **3 ESSENTIAL FACTS no one ever tells you**, **2 EXPERT TIPS, and 15 PRACTICAL RECOMMENDATIONS** you can start using today to finally answer that lingering question: '**I should do something with my money, but where do I start, and who can I really trust?**

FACT 1 – Why is it a bad idea to let time pass and do nothing with your money?

Many of my clients share a common story: they have **savings set aside,** sometimes for years, but they feel **lost** when it comes to investing them. And so, they keep postponing the decision, no matter how much or how little they have. I always say that **money is like a plant—it needs care to grow**. If you're delaying your investment decision, it's a sign that you're feeling uncertain or **lacking the knowledge and guidance** to move forward.

Leaving your money in a bank account or stashing it at home is not a smart option. With **high inflation rates,** your money **loses buying power over time,** even if the number of euros stays the same. In reality, you won't be able to buy as much in the future as you can today.

5 Key Tips to take control of your finances today:

1. **Review your expenses** and create a spending plan for the upcoming months. Knowing exactly where your money goes is the first step toward financial freedom.
2. **Invest your savings**—any money you don't need immediately should be working for you, not sitting idle.
3. **Remember**: Money in motion generates more wealth, but stagnant money loses value over time.
4. **Diversify your investments** by spreading them across different assets. Diversification reduces risk and boosts stability.
5. The **easiest way to diversify** in flexible, easily sellable financial products is through **investment funds.** You don't need a large initial amount to get started, so you can begin building wealth with what you have.

FACT 2 – Is real estate really the only safe way to invest?

Many clients come to me with **limited investment experience or frustration** from past attempts with mutual funds. Some believe that the only reliable way to invest is through **real estate**—but they obviously realize that buying property demands **significant capital upfront**.

Investing by purchasing and renting out property is often the go-to choice for those with basic **financial knowledge**. They may choose this path simply because it's familiar—perhaps it's what their parents did, or it's the only investment product they feel they truly understand, given that they know how property income and expenses work.

But here's what <u>most people don't know</u>—the **5 REALITIES of investing in property:**

1. **Lack of Diversification:** When you invest in a single property, you're not diversifying across assets, sectors, or countries. Diversification is the #1 rule of any smart investor.
2. **Low Liquidity:** Real estate is a slow-moving market. If you need your money quickly, selling a property can take time—leaving you without access to your cash when you might need it most.
3. **High Capital Requirements:** Buying a property requires a large upfront investment.
4. **Lower Returns:** The returns on a property investment are often significantly lower than those from a well-diversified portfolio of investment funds, limiting your growth potential.
5. **Real Risks Involved:** Property isn't a guaranteed safe investment. There are many risks: unpaid rent, vacancy periods, potential squatters, or tenants causing damage. Plus, property prices in many areas have yet to recover to pre-2008 crisis levels—unlike numerous well-managed investment funds that have regained and exceeded those **values.**

FACT 3 – Are investment funds really limited to what comercial banks sell you?

There are **thousands** of **investment funds** available, each with varying **risk levels** and **fees.** The key with investment funds is knowing how to choose the **best** ones for your **profile** while **minimizing fees**.

Investment funds have gained a bad reputation over the years. **Do you know why?**

Because most people **lack financial education**, and banks have taken advantage of this by selling products that benefit the bank, not the client. **Financial literacy** in many countries is still **below** the OECD **average**, putting those without this knowledge at a clear disadvantage.

Has anyone at your bank ever sold you an investment fund? Bank employees are tasked with meeting **sales targets**. While they may be friendly when speaking with you, they're also pushing products like **investment funds, pension plans, or insurance** that the bank wants to sell.

The bank will only suggest the products **they want to sell.** But in reality, there are many funds with **attractive returns** that allow you to build a **diversified portfolio,** minimizing risk and maximizing returns.

When I speak with my clients, many express frustration, saying they've lost money with investment funds or that high fees ate up their gains. But when we dig deeper, I realize it wasn't them who chose the funds—it was their bank that recommended them.

5 MUST-KNOW THINGS about investment funds:

1. **Investment funds** are an incredibly **attractive** collective investment vehicle that allows you to build a **diversified portfolio** with minimal capital.
2. They are generally a **highly liquid investment,** meaning you can easily sell them and access your money.
3. You **don't need a huge capital** to invest in funds. Many allow you to start with as little as €10!
4. Investment funds are **subject to strict regulation**, ensuring transparency in terms of composition, characteristics, risk level, fees, and more. Unlike pension funds, the information is easily accessible online.
5. There are investment funds with incredibly **low fees**, as low as 0.2% (0.002)! But beware—some funds charge high fees of 3% or more. **Choose wisely!**

Tip 1: Invest your savings in investment funds tailored to your profile and goals

With so many investment funds available—from fixed income and equity funds to mixed portfolios, ETFs, index funds, real estate funds, and even hedge funds—choosing the right funds that match your investment profile is crucial. 5 Key Recommendations to help you make the best choice:

5 KEY RECOMMENDATIONS to make the best choice:

1. **Identify your investor profile** based on your desired risk tolerance and returns. This is the foundation of a smart investment strategy.
2. **Plan a diversified portfolio** that balances assets to maximize stability and growth potential.
3. Remember, **diversification** is **key to managing risk.** Consider options like ETFs or index funds to maintain balance.
4. Research **top-performing funds** with a strong track record over recent years, and pay attention to fees that may impact your returns.
5. **Select** the **best platform** to access your chosen funds. Be mindful of associated costs and consider the country in which the platform's bank is located, ensuring maximum security and convenience.

Tip 2: Empower yourself financially to take control of your savings and without relying on anyone else

When you lack financial education, you end up relying on others to make investment decisions for you—a costly mistake. Whether it's financial advisors, bank representatives, "finfluencers," friends, or family, it's essential to understand where you're investing your hard-earned money and why.

HERE ARE 5 KEY TIPS

1. **Verify credentials**: If you're seeking advice from someone, ensure they have the proper, up-to-date credentials to provide reliable guidance.
2. **Analyze fees carefully**: Third-party advice often comes at a price—sometimes, these fees consume your returns. Be mindful of the cost.
3. **Recognize your unique needs**: Each person's financial goals, risk tolerance, and time horizon are unique. Someone else may not understand your needs as well as you could if you had financial knowledge.
4. **Beware of *finfluencers***: Social media advice is often too generic for your specific profile and may involve misinformation, conflicts of interest, or even scams.
5. **My #1 TIP**: The best investment is in your own financial education. Develop sound financial habits so you can make informed investment decisions with confidence and control.

I’m Elisabet.RD

So, **why should you listen to me?**

I’m Elisabet Ruiz-Dotras, a PhD in Finance and a certified coach with over 30 years of experience as a university professor, speaker, and media contributor.

Drawing from decades of research, teaching, and hands-on experience in finance, I created the Investing Wisely Program—a unique program grounded in the OECD’s financial principles. This program stands out for its clear, accessible approach to finance, requiring no prior knowledge to start.

In just a few weeks, you’ll learn to take control of your financial future with ease and confidence. Ready to transform the way you think about investing?

If you're looking to explore investment opportunities beyond just stocks and real estate, want to learn how to manage your investments effectively, and would love to grow your wealth in a simple, hassle-free way, **I invite you to a free session with me**! Together, we'll analyze your unique financial profile and outline the next steps to help you achieve financial empowerment and make informed investment decisions on your own.

Book your spot here!

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