

To buy shares in a company that is listed on the Lusaka Stock Exchange you must contact a stockbroker who will buy them on the stock exchange for you. If you invest in shares you receive income in the form of dividends from the company. Dividends may not always be paid by the company as they depend on the performance of the company and decisions of the Board of Directors.

Bonds and Treasury Bills: A bond or a treasury bill is an instrument used by the issuer to borrow money from the holder with an obligation to repay the principal and interest on future dates. When you invest in bonds you lend your money to the issuer of the bond who may be a company or government. If you invest in bonds, you receive a promised fixed amount of interest on your investment every half-year or every year. It is an obligation on the issuer of the bond to pay you the interest.

You can reduce your risk by diversifying your investments.

Mutual Funds / Unit Trusts: Mutual funds and unit trusts are financial instruments that allow investors to pool their money together under the management of a professional fund manager who is responsible for investing the pooled resources in specific investment opportunities.

Mutual funds and unit trusts are designed principally for small savers; you can start investing in these schemes with as little money and buy more shares or units on a regular basis with even smaller monthly payments. When you invest in a mutual fund or unit trust, you become a part owner of the funds' assets and share in the returns from investments made by the fund manager. Your investment may, however, fall in value if the fund makes a loss.

SALE OF INVESTMENT PRODUCTS

You can sell part or all of your investments in shares, bonds, mutual funds or unit trusts any time you want to do so. Getting your shares or bonds sold quickly depends on the availability of buyers in the market and the price that you may want to sell at. For investment in mutual funds or unit trusts, the fund manager stands ready at all times to buy from the investor.

INVESTMENT AND RISK

Like many of life's activities, investments are associated with risk. Risk is the possibility of losing part or all of the money invested.

Investment-associated risk is the chance that the invested capital may drop in value which means that your aim for investing may not be achieved because the investment does not work as one hopes or expects.

You can sell part of or all your investments anytime you want to do so.

Most investments come with risk. You can lose some of your money.

WHY SHOULD YOU INVEST?

How would you like to give a bit of your earnings to someone to do business with and who would then pay you back regularly or at an agreed time with additional money earned from what he used your money for?

This is what happens when you invest. Here are some key reasons why you should consider investing your money;

- You generate additional resources to protect your future well being;
- You achieve your financial goals such as buying a house, a car or starting a business;
- You accumulate resources to care for your children, ageing parents or other relatives;
- You secure your retirement income;
- You contribute to the growth of your national economy as your investment is deployed in the productive sector of the economy;
- You preserve the value of your money against inflation.

HOW AND WHERE CAN YOU INVEST?

There are financial institutions that specialize in managing investments. These include banks, asset stockbrokerage firms, investment advisory firms, etc. A variety of investment avenues are offered by different financial institutions and they are always happy to advise you on how you should go about investing your resources.

HOW TO CHOOSE THE RIGHT INVESTMENT

There are various factors that can inform your choice of investment products. Weigh these factors carefully and make the decision. The factors include:

- Your objective for investing
- Your current income;
- Your age;
- Your risk tolerance level, i.e. the extent to which you are capable of coping with the uncertainties associated with investing.

Before you take a decision to invest and what to invest in, consult an investment advisor or stockbroker who is in the best position to help you to define clearly your investment objectives and determine which investments are best suited for you.

WHO CAN INVEST?

Investment is good for anybody who receives income and is able to set something aside to achieve future financial goals, ensure retirement income or generate extra resources to protect his or her future well being.

WHEN SHOULD YOU INVEST?

When you invest, the resources that you thereby commit may not be immediately available to you when you need them. You should, therefore, invest at a time that will not put a financial burden on you. Invest only after you feel satisfied that you understand the commitment you are making, preferably, after receiving professional advice.

Be cautious of get-rich-quickly investment schemes.

MANAGING YOUR INVESTMENT

The fact that you have given your money to a financial institution to manage for you does not mean that you should take a back seat. You have to be part of the management and growth of your money.

You will be a successful investor if you review the information you are always given, ask questions, and make sure you understand and are comfortable with the way your investment is being managed.

Keep in contact with the financial institution you invest with so that you can monitor your investments. Invest regularly. It is important to view investing as a process, not a one-time event.

Once you have decided on an investment that appeals to you, e.g. a mutual fund or a unit trust, arrange for an amount of money to be regularly withdrawn from your salary or account and paid into your investment account.

Keep your investment receipt or certificate in a safe place.

Be prepared to hold your investment for a long time. In the short term, share prices tend to be volatile, however, in the long-term, share prices tend to appreciate.

Regularly keep in touch with your financial institution to know the status of your investment.

INVESTING - SOME BASIC TIPS

Below we present basic steps in investing:

- Identifying the financial institution you want to invest with and talk to a member of their staff;
- The officer will explain the different investment opportunities to you;
- Think seriously about the options presented to you and choose the one that best fits your financial plans;

You will be asked to complete forms which usually require the following information:

- a. Name;
- b. Date of birth/age;
- c. Occupation;
- d. Address
- e. Identification e.g. National Registration Card, passport, birth certificate.

The financial institution may verify your personal information and address using any one or more of the following methods:

- Utility bills such as an electricity, water, telephone or property rate bill. Some financial institutions may also accept any of the mentioned bills in the name of your landlord;
- Obtaining a reference from a professional or a letter from your employer or school;
- A known customer of the regulated institution; or
- A customary authority, civic or community leader that knows you.

Once you go through the formalities, you will be given a certificate of a receipt for your investment.

Always seek professional advice before you invest.

INVESTING YOUR MONEY

INVESTING IN A FIXED DEPOSIT

To invest in a fixed deposit, contact a bank, or a financial institution of your choice and place your money with it. At the end of the fixed period of the investment, you must go for the money invested, unless you decide to invest for another fixed period.

BUYING SHARES OR BONDS

To buy shares or bonds, contact a stockbroker who will buy the instrument on the stock exchange, such as the Lusaka Stock Exchange for you. The minimum amount you can invest in shares or bonds depends on the price of the share or bond you want to buy and the minimum number of shares that can be transacted.

A stockbroker is an agent licensed to buy and sell shares and bonds on behalf of investors. A list of licensed stockbrokers is available at the Securities and Exchange Commission. The time it takes to get the shares or bonds bought for you and the price at which you buy the shares or bonds will depend on the conditions on the market. Shares and bonds that are in a great supply can be purchased easily, while those that are in great demand may take some time to be purchased.

SELLING YOUR SHARES OR BONDS

To sell your shares or bonds you must contact a stockbroker who will sell them on the stock exchange for you. Depending on the market, the price you get for the sale of your shares or bonds may be higher or lower than your purchase price.

How long it takes to get your shares or bonds sold is dependent on the state of the stock market and the price at which you wish to sell. Shares or bonds that are in great demand can be easily sold; while shares or bonds that are in great supply may take some time to be sold.

INVESTING IN MUTUAL FUNDS AND UNIT TRUSTS

To invest in a mutual fund or a unit trust you must contact the manager to the fund (the fund manager) who stands ready always to sell interests in the mutual fund or the unit trust to investors. A fund manager is an investment advisor licensed to manage the assets of the mutual fund or the unit trust. A list of licensed investment advisors is available at the Securities and Exchange Commission.

SELLING YOUR INTEREST IN MUTUAL FUNDS AND UNIT TRUSTS

You can sell your interests in a mutual fund or a unit trust any time to the manager of the fund who stands ready always to buy your interest and pay you.

You will be a successful investor if you review the information you are given, ask questions, and make sure you understand the investment you are undertaking.

FINANCIAL EDUCATION FOR ZAMBIA



DZIŴANI ZAMBILI ZOKHUDZA INVESTIMENTI (NYANJA)

KNOW MORE ABOUT INVESTING



DZIŴANI ZAMBILI ZOKHUDZA INVESTIMENTI

Investment ndi njira yogwitsila nchito ndalama zanu kugula zinthu monga ma shares, ma trust unit, ma treasury bills kapena ma bonds n’colinga cofuna kuculukitsa zinthuzo, kapena kuculukitsa ndalama zanu. Zimenezi zikutanthaiza kuti mumatenga ndalama zanu ndi kuika mu bizinesi inayake kenako mumalandila phindu limene mumapeza pa ndalamayo.

Tayelekezelani munthu amene amalandila ndalama zambili kumene amagwila nchito, komano ndalama zinazo alibe nazo nchito pakali pano. Iye angasankhe kugula ma stock monga katundu womangila nyumba, ma juweli, galimoto, zovala ndi zina zotelo. Iye angamatailenso nthawi yake ndi zinthu zina kusamalila katunduwo, kenako kuzigwiitsila nchito kapena kuzigulitsa n’colinga cofuna kupeza phindu. Imeneyi ndi njila ina yosungila ndalama. Koma ngati mungaike ndalama zanu ku banki ndi kulola a banki kuzigwiitsila nchito, ndiye kuti simungakhale ndi udindo wosamalila katundu wanuwo. Odziwa nchitoyi amakusamalilani mbali imeneyi ndipo inu mumalandila mapindu anu, koma inunso mamalipila amene amakugwililani nchitoyo.

Mungaonjezele ndalama zimene mumalandila mwa kuonjezela ma investment anu.

NDI MITUNDU INGATI YA INVESTMENT IMENE MUMADZIŴA?

Pali mitundu yosiyanasiyana ya investment imene mungasankhepo ndipo muyenela kudziwa bwino ma investment amenewa kuti mudziwe ndi kusankha amene mufuna. Ena a ma investment amene mungasankhe ndi awa:

Fixed Deposit Kapena Certificate of Deposit: Mukaika ndalama zanu mu fixed deposit, mumakhala kuti mwabweletsa ndalama zanu ku banki ndipo io amakupatsani phindu la ndalama zanu. Mukhoza kusungitsa ndalama zanu mu fixed deposit mwa kuika ndalama mu akaunti imene a banki anakukonzelani. Pambuyo potsatila ndondomeko zofunika, mudzapatsidwa umboni wosonyeza kuti mwacita invest ndalama zanu mwa kukupatsani fomu yocedwa certificate of deposit. Mukakhala ndi akaunti imeneyi, mumapatsidwa ciongoladzanja coikika, ndipo ndalama zimenezi amakupatsani pang'onopang'ono mpaka pamene pangano lanu la investment iyi idzathele. A banki ali ndi udindo wokulipilani ciongoladzanja.

Inunso mukhoza kucita invest ndalama zanu.

Ma Shares: Ma Share ndi zinthu zimene zimasonyeza kuti muli ndi gawo m'kampaniyo. Mukacita invest m'ma shares, mumakhala shareholder wa kampani ndipo mumapatsidwa mbali ya phindu imene kampaniyo imapeza. Kuti mugule ma shares a kampani imene ili pa mndandanda wa Lusaka Stock Exchange, muyenela kuonana ndi stockbroker kapena kuti munthu amene angakugulileni ma shares amenewo ku stock exchange. Mukagula ma shares, mudzilandila ndalama zimene ndi mbali ya phindu imene kampaniyo imapeza. Koma nthawi zina, kampaniyo ingalephele kukupatsani ndalamazo cifukwa kuti akupatseni ndalama zimenezo, zimadalila mmene kampaniyo yagwiila nchito mweziyo komanso zimene ma dailekitala a kompaniyo agamula.

Ma Bond ndi ma Treasury Bill: Ma bond kapena ma treasury bill ndi njila imene wobweleka ndalama amagwiitsila nchito kuti abweleke ndalama kwa amene ali nazo ndi colinga cakuti adzam'beweze ndalamazo limodzi ndi ciongodzanja mtsogolo. Mukacita invest ndalama zanu mu ma bonds, mumakhala kuti mwabweleketsa ndalama zanu kwa amene amapatsa ma bond monga kampani kapena boma.

Mukacita invest ndalama zanu mu ma bonds, mumapatsidwa ciongoladzanja cokhala ndi ndalama zoikika mogwilizana ndi investment yanu, mwacitsanzo pambuyo pa miyezi 6 kapena pa caka ciliconse. Amene amapatsa ma bond ali ndi udindo wopeleka ciongoladzanja.

Mungaonjezele ndalama zimene mumalandila mwa kuonjezela ma investment anu.

Ma Mutual Funds / Unit Trusts: Zimenezi ndi njila zimene zimalola ma investor kuika ndalama zao pamodzi moyang'anlidwa ndi manejala amene ndi katswili pa nkhani za ndalama amene amakhala ndi udindo wocita invest ndalamazo mu zinthu zosiyanasiyana.

Ma mutual fund ndi ma unit trust anakonzedwela anthu amene ali ndalama zocepa. Mungayambe kucita invest mogwiitsila njila zimenezi ndi ndalama zocepa ndi kugula ma share kapena ma unit nthawi zonse ndi ka ndalama kocepa.

Mukacita invest mogwiitsila nchito ma mutual fund kapena ma unit trust, mumakhala ndi mbali pa zinthu zimene ndalamazo zikugwiitsidwa nchito, ndipo mumalandilako phindu la ma investment amenewo kucokela kwa manjala. Komabe, nthawi zina investment yanu ingasowe ndalama ngati zinthu sizikuyenda bwino.

KUGULITSA MA INVESTMENT

Mukhoza kugulitsa ma investment amene muli nao kapena mbali yake cabe kukhala ma shares, ma bond, ma mutual fund kapena ma unit trust panthawi iliyonse imene mungafune kutelo. Kuti ma shares kapena ma bond anu agulidwe msanga, zimadalila ngati amene afuna kugula alipo, ndiponso mtengo umene mukugulitsilapo ma share amenewo. Mamanejala osamalila ndalama amakhala okonzeka kugula kwa ma investor ma investment okhudza ma mutual bond kapena ma unit trust.

MA INVESTMENT KOMANSO VUTO LAKE

Mofanana ndi zocitika zina paumoyo, kukhala ndi ma investment kulinso ndi vuto lake. Vuto lake limakhala lakuti nthawi zina mukhoza kuluza mbali ya ndalama zanu kapena kuluzilatu zonse zimene munacita invest.

Vuto lina limakhala lakuti ndalama zimene zili mu investment mphamvu yake ikhoza kucepa ndipo zizingalepheletse kukwanilitsa colinga cimene munaikila ndalama zanu mu investment.

Mukhoza kugulitsa mbali kapena investment yanu yonse nthawi iliyonse mukafuna kutelo.

Ma investment ambili alinso ndi mavuto ake. Mukhoza kuluza ndalama zanu zina.

N'CIFUKWA CIANI MUYENELA KUCITA INVEST?

Kodi mungapatse ndalama zanu zina winawake kuti azigwiitsile nchito mu bizinesi yake, kenako ndi mukakubwezeleni ndalamazo pang'onopang'ono kapena pambuyo panthawi imene munagwilizana komanso ndi ciongoladzanja pamwamba pake cifukwa ca phindu limene anapeza atagwiitsila nchito ndalamazo?

Izi n'zimene zimacitika mukacita invest ndalama zanu. Onani zifukwa zina zimene zingakuthandizeni pamene muganziliza zocita invest;

- Mumapanga ndalama zina zimene zingakuthandizeni kukhala ndi tsogolo labwino;
- Mungakwanitse kugula cimene mufuna monga nyumba, galimoto kapena kuyamba bizinesi;
- Mumapeza ndalama zimene zingakuthandizeni kusamalila ana anu, makolo anu okalamba kapena acibale ena;
- Ndalama zimene mumalandila mukapuma pa nchito kapena kuti retirement zimasungika;
- Mumakhala ndi mbali pa kutukula cuma ca dziko lanu cifukwa ndalama zanu zimagwiilitsidwa nchito pa citukuku ca dziko;
- Ndalama zanu sizimatha mphamvu.

NDI MOTANI NDIPO NDI KUTI KUMENE MUNGACITILE INVESTMENT YANU?

Pali mabungwe okhudza za ndalama amene ndi akatswili pankhani yosamalila ma investment. Ma kampani amenewa amaphatikizapo ma banki, mabungwe osamalila kutundu ocedwa stockbrokerage, ma bungwe a investment advisory ndi ena otelo. Mabungwe okhudzana ndi za ndalama ali ndi njila zambili zimene angakusonyezeni zokhudza mmene mungapangile invest cuma ndipo amakhala okonzeka kukuthandizani ngati mufuna thandizo pankhaniyi.

MMENE MUNGASANKHILE INVESTMENT YABWINO

Pali mfundo zambili zimene muyenela kudziwa posankha investment. Sinkhasinkhani pa mfundozo mosamala kwambili musapange cosankha. Mfundo zimenezi zimaphatikizapo:

- Colinga cocitila invest;
- Ndalama zimene mukulandila panthawi ino;
- Zaka zanu zakubadwa;
- Mmene mumakhudzidwila ngati zinthu sizinakuyendeleni bwino. Mwacitsanzo kodi mudzapilila bwani ngati zovuta zina za mwadzidzidzi zingagwele investmt yanu?

Musanapange cosankha cakuti mucite invest komanso zinthu zimene mufuna kucita invest, funsani mlangizi wanu wa za ma investment kuti akuthandizeni kudziwa bwino colinga ca investment yanu ndi kuona imene ingakuyeneleni.

NDANI ANGACITE INVEST?

Investment ndi yabwino kwa aliyense amene amalandila ndalama ndipo amakwanitsa kusungako yocepa kuti adzagule cinacake, pofuna kuteteza ndalama zao za retirement, kapena pofuna kupanga ndalama zambili kuti akonze tsogolo lake.

NDI LITI PAMENE MUNGACITE INVEST?

Mukacita invest, simuyenela kuyembekезela kuti mudzalandila ndalamazo mwamsanga panthawi imene mudzazifuna. Conco, muyenela kucita invest panthawi imene muona kuti mulibe vuto la za ndalama. Citani invest panthawi imene muona kuti ndinu otsimikiza ndipo mukudziwa zimene mukucita makamaka pambuyo pofunsila nzelu kwa odziwa nchitoyo.

Samalani ndi ma investment acinyengo amene amanyegelela anthu kuti adzawalemeletsa msanga.

KUSAMALILA MA INVESTMENT ANU

Mukacita investi ndalama zanu sizitanthauza kuti muyenela kukhala manjalende, osacita ciliconse. Muyenela kuthandiza ndalama zanu kuculuka. Mudzapita patsogolo ndi investment yanu ngati muziwelenga malangizo amene muzipatsidwa nthawi zonse, muzifunsa mafunso, ndi kutsimikizila kuti ndinu wokhutila ndi mmene investment yanu ikuyendela.

- Muzilankhulana kawilikawili ndi a bungwe limene munacitako invest kuti muziona mmene zinthu zikuyendela.
- Muzicita invest pafupipafupi. Simuyenela kuganiza kuti mufunika kupanga invest kamodzi kokha.
- Mukasankha investment imene yakusangalatsani, monga ya mutual fund kapena unit trust, konzani ndalama zoti muzicotsa pa ndalama zimene mumalandila ku nchito kapena ku akaunti yanu zimene muziika mu investment account yanu.
- Muzisunga ma lisiti ndi ma satifiketi anu a investment pa malo abwino.
- Khalani okonzeka kukhala ndi investment yanu kwa nthawi yaitali. Investment yokhala nthawi yaifupi imakhala yopanda phindu kwenikweni koma yokhalitsa imakhala yopindulitsa.

Muzilankhulana ndi banki imene munacitako invest kuti muzidziwa mmene investment yanu ikuyendela.

MFUNDO ZIMENE SIMUYENELA KUIŴALA POCITA INVEST

Pansipa tandandalika mfundo zimene muyenela kutsatila musanacite invest:

- Pezani banki imene mufuna kuti mukacite invest ndipo lankhulani ndi wina wogwila nchito kumeneko;
- Wogwila nchito kumeneko adzakufotokozelani mitundu yosiyanasiyana ya investment imene ali nayo;
- Ganizilani mofatsa za mitundu yonse ya investment, kenako sanakhani imene igwiilizana ndi m'thumba mwanu;
- Mudzauzidwa kuti mulembe zinthu zotsatilazi pa fomu imene mudzapatsidwa:
 - Dzina
 - Caka cimene munabadwa/zaka zanu;
 - Nchito imene mugwila;
 - Adilesi yanu;
 - Ciphaso canu monga khadi la NRC, pasipoti, cikalata cimene munapatsidwa pamene munabadwa.

A ku banki angafune kutsimikizila cidziwitso cimene mwawapatsa ndiponso adilesi yanu mwa kugwiitsila nchito njila zotsatilazi:

- Mwakuona papepala ya bilu yanu iliyonse monga ya magetsi, ya madzi, ya telefoni, kapena ya malo anu. Ma banki ena amavomela kuona mapepa a bilu amene ali ndi dzina la eni malo kumene mucita lenti nyumba;
- Kutenga cikalata cacidziwitso kwa akuluakulu ena, kapena kalata yocoka kwa okulembani nchito kapenanso ku sukulu;
- Kasitomala wodziwika wa banki, kapena;

- A mfumu kapena wogwila nchito ku maofesi a boma kapena akuluakulu aboma amene akudziwani bwino.

Mukamaliza mbali imeneyi, mudzapatsidwa satifiketi kapena lisiti ya investment yanu.

Nthawi zonse muzifunsila nzelu kwa amene amadziwa bwino nchitoyi.

KUCITA INVEST NDALAMA ZANU

KUCITA INVEST MU FIXED DEPOSIT AKAUNTI

Kuti mucite invest mu fixed deposit, pitani ku bank, kapena bungwe losamalila za ndalama limene mufuna ndi kuika ndalama zanu kumeneko. Nthawi ikakwana yakuti mukatenge ndalama zanu zimene munaika ku fixed deposit, muyenela kupita kakazitenga, pokhapokhapo ngati mufuna kuzicitanso invest mu fixed deposit ina.

KUGULA MA SHARE NDI MA BOND

Ngati mufuna kugula ma share kapena ma bond, pitani mukaonane ndi stockbroker amene adzakugulilani zimenezo ku stock exchange monga ku Lusaka Stock Exchange. Ndalalma zimene muyenela kuika mu ma share kapena ma bond anu zimadalila mtengo wa ma share kapena ma bond amene mukufuna kugula, ndiponso kuculuka kwa ma share amene munthu aliyense angaloledwe kugula. Stockbroker ndi mlangizi wovomelezedwa amene angagule ndi kugulitsa ma share m'malo mwa ma investor. Pali mndandanda wa ma stockbroker ovomelezedwa ku Securities ndi ku Exchange Commission. Kotalika kwa nthawi imene imakhalapo kuti mutenge ma share kapena ma bond anu, kapena mtengo umene mungagulilepo ma share ndi ma bond anu, zimadalila mmene msika ulili. Ma share ndi ma bond amene ali pamsika angagulidwe mosavuta, pamene kuli kwakuti ma share amene ndi ovuta kupeza angatenge nthawi kugulidwa.

KUGULITSA MA SHARE NDI MA BOND ANU

Ngati mufuna kugulitsa ma share kapana ma bond anu, pitani mukaonane ndi stockbroker wanu, ndipo ameneyu ndi amene angakugulitsileni ku stock exchange. Mtengo umene mungagulitsilepo ma share anu ungadailile mmene mtengo ulili ku msika, kaya ndi wokwela kapena wotsikilapo. Nthawi pamene ma share ndi ma bond anu zingagulidwe zimadalila mmene msika ulili komanso mtengo umene mukuzigulitsilapo. Ma share ndi ma bond amene anthu akufuna kwambili amagulidwa msanga, pamene ma share ndi ma bond amene ndi ofala amacedwa kugulidwa.

KUCITA INVEST MU MUTUAL FUNDS NDI UNIT TRUSTS

Kuti mucite invest mu mutual fund, muyenela kukamba ndi manejala wa ndalama (fund manager) amene nthawi zonse amakhala wokonzeka kugulitsa ciongoladzanja cili mu mutual fund kapena mu unit trust kwa ma investors. Manejala woonza za ndalama ndiye mlangizi wovomelezedwa wofunika kukonza cuma cokhudza mutual fund kapena unit trust. Ku Security and Exchange Commission kuli mndandanda wa alangizi a investment ovomelezedwa.

KUGULITSA PHINDU LIMENE MUNGAPEZE KUKHALA MA MUTUAL FUND NDI MA UNIT TRUST

Mukhoza kugulitsa phindu lanu kukhala ma mutual trust kapena ma unit trust panthawi iliyonse imene mukufuna kwa manejala woyang'anila ndalama amene nthawi zonse amakhala wokonzeka nthawi iliyonse kugula ciongoladzanja Mudzakhala investa wopambana ngati muzitsatila mfundo zimene mwapatsidwa, kufunsa mafunso, ndi kutsimikiza kuti mukudziwa investment imene mwasankha.

MAPHUNZILO A MU ZAMBIA OKHUDZA ZA NDALAMA

KNOW MORE ABOUT INVESTING!

Investing involves using your money to buy financial assets such as shares, unit trusts, treasury bills or bonds to increase their future value, or putting your savings to work for your money to grow. This means that you make your money available to be put into an investment fund or ventures and thereby benefit from the profits from such ventures.

Imagine a person who makes a lot of money from her work and not needing all that money immediately; she could decide to buy and stock e.g building materials, jewellery, a car, clothes etc. She would then spend time and resources to take care of these assets and susequently use them or sell them, hoping to obtain profit. This is a form of investment. However, investing with a financial institution frees you from the responsibility of managing the investment. It is done on your behalf by professionals and you receive the profits when they come in whilst paying the professionals for their service.

You can reduce your risk, and increase your income by diversifying your investments.

WHAT FORMS OF INVESTMENTS ARE AVAILABLE TO YOU?

There are different investment products to choose from and you need to educate yourself fully about them to enable you to determine and choose the one that best suits your situation and financial need. Some of the available investment products to choose from include the following:

Fixed Deposit or Certificate of Deposit: When you invest in a fixed deposit, you lend your money to the financial institution and benefit from the interest that accrues on the money.

You can invest in a fixed deposit by paying money into an account set up for you by the relevant financial institution. After going through the relevant processes you will be given proof that you have invested in the form of a certificate of deposit. This gives you a fixed amount of interest which may be paid to you periodically over the life of the investment or cumulative at the end. It is an obligation on the financial institution to pay you the interest.

You too can invest for the future.

Shares: A share is an instrument which represents a part ownership of a company. When you invest in shares you become a shareholder in the company and are entitled to dividends from the profits of the company.