

INVEST / FINANCIAL PLANNING

YES, YOU REALLY DO NEED TO INVEST IN THE STOCK MARKET

Beth Braverman | November 12, 2018



We've got four great reasons you can't keep making excuses to avoid the stock market.

From an ill-advised hairstyle (perm, anyone?) to staying in instead of attending the a party of the year, our lives are filled with regrets, both large and small.

When it comes to money, one regret pops up more than any other among women: Not investing enough.

More than 40% of women [recently surveyed by Merrill Lynch](#) said that they wished that they had invested more of their money. We are less likely than men to invest in the stock market, and that can make it far more difficult—if not impossible—for us to reach our long-term goals.

While other types of investments, such as bonds and savings accounts, can lessen your risk, they also don't have quite the earning potential that comes with investing in the stock market over the long term. After factoring in taxes and the effects of inflation, you need stocks simply to maintain the value of your money over time. "Stocks offer one of the greatest opportunities for growth in a portfolio," says Renee Hanson, a private wealth adviser with Ameriprise.

Still, we women come up with lots of excuses that prevent us from putting money into the stock market. Here are a look at a few of them, and why you should invest anyway.

EXCUSE NO. 1: I'M SCARED I'M GOING TO LOSE MONEY

**Life is the topic.
Money is the
tool.**

Let's talk about
everything.

Enter your em SUBSCRIBE

EDITOR'S PICKS

[SALARIES](#)

[HOW TO ASK FOR A RAISE](#)

[RETIREMENT](#)

[WHAT TO ASK BEFORE YOU
OPEN A 401\(K\)](#)

[BANKING](#)

[HOW TO SAVE \\$5,000 IN A
YEAR](#)

**Don't miss an
episode:**

Subscribe (it's free) in
your favorite podcast
app

 [Subscribe](#) ▼

Reason to invest anyway: You should only invest money that you don't need in the short-term. Even though it may have some huge ups and downs, the stock market has never lost money over a 10-year period. As long as you're investing money that can stay in the market for the long term, it will have time to ride out the volatility and grow over time.

You should have a separate account for your emergency funds and for shorter-term goals.

"If you know you're going to buy a home, don't put your money into the stock market six months before you need that down payment," says Stefanie Lewis, regional wealth planning manager for Wells Fargo. "It has to be money that you're willing to have as a long-term investment."

EXCUSE NO. 2: I DON'T KNOW HOW TO PICK STOCKS

Reason to invest anyway: You don't have to. Choosing mutual funds or index funds, which include shares in many different stocks, allows you to invest in the market as a whole, rather than purchasing individual stocks.

Purchasing your stocks via funds gives you a more diversified portfolio, so that if one stock tanks the impact on your overall portfolio is minimal.

EXCUSE NO. 3 : I DON'T HAVE ENOUGH MONEY TO INVEST IN THE STOCK MARKET

Reason to invest anyway: You don't need a lot of money to get started. You can get started via your 401(k) at work or through a discount brokerage with a relatively low starting deposit. Even small amounts, contributed regularly over time, can add up to significant savings, thanks to the power of compound interest over the long term.

Starting out by investing minor amounts can also help you build up the confidence to start investing more, says Lynn Ballou, a Certified Financial Planner and regional director of EP Wealth Advisors in Lafayette, California.

"It's like a diet," she says. "If I can only figure out how not to eat a cookie today, that's still a good start. You need to start out small, and then when you see success that encourages you to do better and to do more."

EXCUSE NO. 4: INVESTING SEEMS LIKE A LOT OF WORK

Reason to invest anyway: It's easier than you think. Once you've selected the fund or funds to which you want to contribute, you can set up recurring deposits, to automatically make put money into your investment account every month or every paycheck. After that, you don't have to do any work at all, other than occasionally checking in to make sure that your asset allocation (the portion of money you want to contribute to stocks versus bonds or other types of investments) remains on target.

YOU'VE GOT THIS!

Sitting on the sidelines isn't the place for you. We're all in this together! Join the HerMoney private Facebook group of goal-getters today. Let's talk about everything.

Related Topics: [asset allocation](#) [basic investing questions](#) [bonds](#)
[compound interest](#) [how to get started investing](#) [stock market](#) [stocks](#)

Next Article: [This Week In Your Wallet: Here's How You Can Help](#)

RELATED CONTENT



ESTATE PLANNING

TOP TIPS FOR PROTECTING YOUR ASSETS IN 2019

by [Beth Braverman](#)



FINANCIAL PLANNING

SHOULD I CARE IF THERE'S A STOCK MARKET CORRECTION? HOW DOES THE MARKET AFFECT ME ANYWAY?

by [Beth Braverman](#)



FINANCIAL PLANNING

TOP 5 TIPS FOR INVESTING IN 2019

by [Beth Braverman](#)

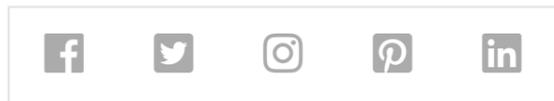


HEALTH CARE

LEFTOVER MONEY IN YOUR FSA? USE IT, DON'T LOSE IT (AND DID YOU EVER THINK ABOUT USING IT FOR STOCKING STUFFERS?)

by [Jean Chatzky](#)

SUBSCRIBE



Copyright © 2018 HerMoney Media, Inc.

CATEGORIES

- [Earn](#)
- [Save](#)
- [Invest](#)
- [Protect](#)
- [Borrow](#)
- [Connect](#)
- [Enjoy](#)

MORE

- [About](#)
- [Podcasts](#)
- [Privacy](#)
- [Sitemap](#)
- [Contact](#)