

INVESTING WISDOM

Investing May Not Be As Difficult As You Think—Start With Just \$100

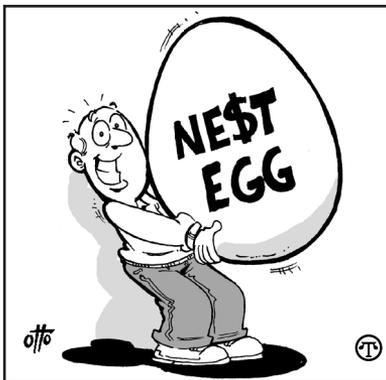
(NAPSA)—When it comes to investing for retirement, starting small is better than not starting at all. Fortunately, starting an investment program doesn't necessarily take a lot of money or time. The most important step is to get started.

Take a look at that takeout meal on your desk. It may not look like \$100,000, but consider this—if you put just \$7 per day toward a retirement plan with a 7.5 percent rate of return, in 20 years your retirement savings would total \$101,853.

Brown bag your retirement

Takeout lunch or a more comfortable retirement? For many, the path to investing starts by identifying a few small, personal sacrifices that can mean the difference between investing in a more comfortable future or not.

Try this experiment for a month and see if you can't find 100 extra dollars in your budget. At the end of each day, empty your pockets (or clean out your coin purse) into a change jar. There's bound to be enough jingling around in there to add up to \$30 at month's end. Once or twice each week, plan to bring your lunch instead of ordering up the \$7 takeout special. There's around \$40 found. And save the fancy espresso drinks for a special weekend treat. During the week, go



Experts say if you put just \$7 per day toward a retirement plan with a 7.5 percent rate of return, in 20 years your retirement savings could total over \$100,000.

with a strong cup of drip coffee. On the conservative side, that's an easy \$30 saved.

Start small, think big

Now that you have \$100, instead of blowing it on dinner out, start investing. Certain online brokers, such as ShareBuilder.com, have no account minimums and charge as little as \$4 to invest. Commissions such as that can make it affordable—and easier—to get in the game.

There is a way for those with a smaller lump sum—such as that \$100—to get started building a diversified portfolio by using Exchange Traded Funds, or ETFs. ETFs are investment vehicles that

track different sectors or indexes but trade in real time just like stocks. For example, the SPDR—(known as a Spider) tracks the S&P 500 index. There are even ETFs that track the entire stock market.

Steady is the key

Regular investing is a key to reaching your goals. If you're serious about a saving and investing strategy, continue to save that \$100 every month and start an automatic investing plan. Services such as ShareBuilder allow you to set up a program and contribute a set amount on a regular basis. Even if you don't remember to make it happen, the money will be automatically transferred from your checking or savings account so it can be invested.

No time like the present

People often hesitate or postpone their investments because they think it's not the right time to invest. In reality, it's always a good time. Studies have shown that an investor who tries to time the market will not perform as well as a buy-and-hold investor.

Once you get started investing, keep at it. Review your investments periodically and make sure they are on track with your set goals. The hardest part was just getting started, but discipline is key to building wealth over the long term. To learn more, visit www.sharebuilder.com.