

## Focus on your financial goals with a systematic investment plan

In today's financial world, an ever-expanding variety of investment products and technology that can retrieve information and execute orders within seconds have made investing easier than ever. However, investing *wisely* is actually more challenging than before. As opportunities multiply, so does the time required to research them adequately. As a result, many investors end up with an unfocused approach to investing.

To gain focus, you need to start by making general financial goals - such as sending children to university or retiring comfortably - into quantified objectives. For example, you might want to accumulate \$50,000 for a child's university education by 2010, retire on \$5,000 per month in 10 years, or increase your current investment income from \$1000 to \$1,200 per month. Without these numerical goals, you won't be able to sort through the investment choices or measure your progress.

However, to devise a systematic investment plan, you need a good idea of your financial resources as well as your attitude towards risk. For one family, the goal of amassing \$50,000 for a university education by 2010 might be entirely achievable. For another family, with fewer financial resources or a lower tolerance for risk, \$30,000 might be more realistic.

To understand your current financial position, the best starting point is to determine your family's net worth. The process is quite simple. First, add up all your assets including the value of your home, bank accounts, stocks, bonds, mutual funds and other investments. Also include the present value of your pension or profit-sharing plan. Then, subtract your liabilities such as mortgages, loans and other debts, including such obligations as alimony and child support. The result is your net worth.

Even if you make this calculation yourself, you may need the help of an expert to determine how much you can regularly invest and in what specific investments. A professional financial advisor can help you pinpoint specific financial goals, and make your investment plan a systematic, step-by-step process to reach those goals.

An advisor will ask for detailed financial information, which can then be analyzed by investment specialists and other financial professionals who are trained to spot possible problems and to find ways to take advantage of opportunities. This analysis takes into account your current and prospective net worth and income level, spending patterns, insurance requirements, retirement and estate planning considerations, tax considerations, and risk tolerance.

A ScotiaMcLeod advisor has the knowledge, resources and team of experts to help you understand your current situation, set clear goals, and devise and oversee a systematic investment plan that keeps you moving in the right financial direction.

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