



Diversification of assets. What does it mean to me?

Since no one knows the future, who can tell someone what is to come? Eccl 8:7 NIV
Suppose you work for a company that is growing with global opportunities. All your money is in the employee stock ownership program and see the stock doubling every 4 years. You can't think of a better investment for your retirement. The owners of the company have integrity and are using biblical principles to run the business. At this rate, your portfolio of company stock will enable you to retire and serve in full-time ministry starting at age 50 without taking a salary. What could go wrong?

The global pandemic of 2020 changed the world's business landscape. No one saw it coming. Many industries have taken huge hits. Some industry sectors have done well, and some have run aground. This includes businesses that were run really well. What does this mean for investing?

How you allocate your investments across different types of assets will help you reach your goals. Someone once said to treat money like manure; if you let it pile up in one area, it begins to smell bad, but if you spread it around like fertilizer, it does a lot of good. Think about spreading your money around in different types of investments, some in stocks, some in bonds, some in real estate, some in peer-to-peer lending. Think of things that produce income and grow in value.

The secret sauce is having a variety of investments, so that when some zig others zag, your portfolio will experience steady growth by having the necessary diversification to reach your goals while you sleep soundly at night.

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