**Making a killing in the share market**

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Should an investor try and make a killing on the share market?

That all depends on your personal circumstances because making a killing in the markets involve a lot of risk.

If you have a lot of commitments it will be irresponsible to expose yourself or your family if you have one to financial problems in the event that it all turns to custard.

Attempting to plunge on one stock in the markets is in the same category as investing in bitcoin. It should only be done with discretionary spending money.

You may hear stories about an investor who had all of their money in X stock and made a killing. The truth is that others tried the same thing with Y stock instead and lost everything. As for the one who made the killing, you will never hear about the times when they try do do the same thing and lost all of their previous gains. Greed get the better of people like that.

One piece of advice for those who want to risk it all by plunging on one stock may want to have a go at the casino instead if you just want to take a punt.

There is no doubt that you will lose now and again (in the share market) but diversification softens the landing. It is a strategy for spreading your risk, a safety net you could call it.

Whenever their is the chance for you to make a capital gain on your money there is the chance that you will make a capital loss but by making calculated risks you can give yourself the best chance of increasing your wealth.

Your risk profile is a big factor. This is your tolerance to risk. If investing in growth funds is going to make you nervous then you may want to exercise a little bit of caution.

Your timeline is the one factor to consider when deciding what risk you are taking. Goals should be split into three groups.

That is Short term goals, middle term goals, and long term goals.

Short term is 12 months or less.

Middle term is up to 5 years.

Long term is longer than 5 years.

The longer your timeline is the more risks you are able to take; this is because you have more time to recover from financial setbacks than someone whose timeline is up to 5 years.

This does not mean that you should invest all of your money in high risk high return investments if you are young and low risk low return investments if you are nearing retirement or already retired.

A young person may be decades away from retirement but still have short or medium term goals such as saving for a car or house deposit. It all depends on what is the purpose of the investment you are making.

An older person can still invest in growth funds but at a level they feel comfortable with.

The share market investing platforms such as Robinhood and Sharesies are an excellent way for the ordinary investor to get involved in the share market because it can be done on a shoestring. Just drip-feed your way to wealth and have fun doing it.

There is really no excuse for you not to get started with your wealth building goals. As long as you have discretionary spending money left over from paying your weekly outgoings then you have the seeds to build your money tree.

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