

Investing in property... or equities?

 By [Graham Turnbull](#)

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This is the third in a series of Q&As aimed at providing guidance to you in your personal finance issues.

Some of my friends have invested directly in property as an investment. But I favour equities - what's best for the long term?

Generally, there are four asset classes in which to invest:

- Equities
- Property
- Cash
- Bonds

All four above have their own historic yield over the long term - and an advisor can give you the detail on this. Property has done particularly well over the last 10-12 years, however over the long term equities have performed best. The problem is that the economy is cyclical and so returns vary over time, and this leads to peaks and troughs in the stock market. So do not try to time your entry and exit into the market, rather have a long-term investment strategy, and save regularly and consistently.

From your question I would suggest speaking to a manager that offers balanced portfolio's or fund(s) and leave the decision to the professionals (who also by the way do not get it right all the time) as to the mix and match of the portfolio. This is their full time every day job and they have much more chance of success than stock picking by the man in the street.

As always, seek the advice of a financial planner, the time invested early on in this exercise will pay dividends (excuse the pun) in the long term.

ABOUT GRAHAM TURNBULL

Graham Turnbull is the Chief Executive Officer at LifeSense Financial Services (Pty) Ltd.

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