

How to

earn more?



Everything you wanted to know  
**but were too afraid to ask!**

# Worried about investing?



Worried you **won't have access** to your money?



Worried about **risk**?



Worried you **won't have enough** to invest?



Worried you won't **understand**?

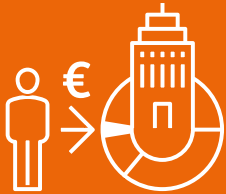
**You're not alone!**

This short guide strips investing of its mystique and explains how it works in plain and simple language.

Simple words that seem

complicated but really aren't!

## SHARES



When you buy a share in a company, it means you own a small part of it.



+ € + €

Your share entitles you to a portion of the company's profits. This is your dividend. Profits not paid out as dividends increase the value of the company and so your investment.

## BONDS



When you buy a bond, it means you loan money to a company.



€ + %

In addition to your initial amount, you earn interest on your loan.

*Congratulations!*

Buying shares backs **entrepreneurs!**

*Congratulations!*

Buying bonds stimulates economic **growth!**

**Bottom line:** When all is said and done, investing boils down to trading shares and bonds!

## Tips and tricks to get you started



### Timing isn't everything

Waiting for “the right time” to invest can mean waiting forever, and when time is money, it isn't smart to waste either.



### Patience is your greatest asset

Don't panic when markets jump up or down, as they always do. Investing is a long-term game. Since 1969, the lowest average return on a diversified investment over a 25-year period has been 1.56% a year for European shares and bonds.<sup>1</sup>



### Keep it simple

Start investing early and choose a diversified fund with a proven track record. If you're a beginner, don't try to hit the jackpot at once but start out small and get sound advice.



### Don't put all your eggs in one basket

Invest in a diversified portfolio to offset stock market volatility and reduce your risk over the long term.



### Boring is good

The portfolios with the best returns are often those of investors who rarely look at them and don't respond to market movements.



### One step at a time

If you're unsure, invest small amounts to begin with and see how you go.

## Good to know



Say you buy a cup of coffee every day for €2.50

That comes to €77 a month

Which adds up to €910 a year



If that money were invested over 30 years at 6% annual return, it would save €76,000

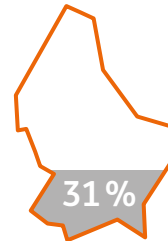
### Bottom line

Investing as little as €2.50 a day can go a long way.

## How do other people manage their money?<sup>2</sup>



Europeans save 83% of their money. 17% are invested.



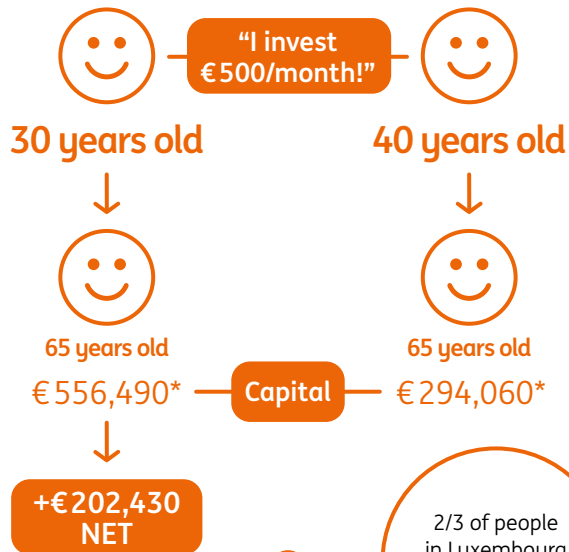
For their part, Luxembourgish residents save 69% and invest 31% of their money.

### Bottom line

Saving and investing are not opposites but complements. Find the balance that's right for you.

# The sooner you invest, the better

It's never too early. Numbers don't lie: if you start investing at 30, by the time you turn 65 you'll have made €202,430 more than if you start at 40.



## Bottom line

Great oaks from little acorns grow.  
You don't have to be rich to invest.

# La différence entre investir et épargner ?

## Saving

**Why?**  
Have cash immediately on hand  
#Security



**What for?**  
Afford unplanned expenses, whether treats or necessities



**How much?<sup>4</sup>**  
Average return of 0% to 1% a year



## Investing

**Why?**  
Grow your pool of savings over the long term  
#Yield

**What for?**  
Make your money work for you or save comfortably for your retirement

**How much?<sup>5</sup>**  
Average return of 2.3% to 7.8% a year\*

## Bottom line

In the short term, saving is generally the best option. In the long term, investing far outperforms saving. Inflation (i.e. steadily rising prices) reduces the value of your savings. Your salary may be indexed to inflation but your savings aren't.

<sup>1</sup>Investing €500 per month (with an average rate of 5% per year).

<sup>2</sup>Depending on risk profiles (conservative to aggressive). Past performances are not a guarantee of future performances.

# What about investing in property?

## How much do you want to make?



House prices over 10 years in Luxembourg<sup>6</sup>



Aggressive investment strategy over 10 years<sup>7</sup>



A conservative investment strategy\* made a return of 25.3% over the last 10 years in Luxembourg.

## How much do you want to invest?



Property: minimum outlay of €300,000



Invest Plan: minimum outlay of €50/month



What matters is investing regular sums over time, not putting down big amounts.

## How soon do you want your money back?



Property is not bought and sold overnight



With the Invest Plan, you get your money back within 4 working days



Some types of investments are very flexible.

\* Your investment profile depends on your situation, goals and risk appetite. There are five risk profiles ranging from very conservative to very aggressive. Past performances are not a guarantee of future performances.

**Bottom line:** Investing in stocks and bonds and investing in property are two different strategies that both play out over the long term.

Saving while investing in property as well as in the financial markets remains the best way to have a balanced and diversified portfolio. Start investing now to safeguard your future. Whatever you aspire to, investing can help you get there faster.

**Would you like to know more?  
Drop by for a cup of coffee  
in one of our branches  
and let's chat about it.**

Remember, you don't have to be an expert. Start small and see what works for you. Together we can discuss what strategy suits you best.

Until then!



**If you want to make  
money, you only  
need to invest a little.**



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<sup>1</sup> Source: ING Portfolio Management Bloomberg. Calculation from 1996 to 2021.

<sup>2</sup> Source: Calculation by ING based on data from:  
European Central Bank Household Sector Report, 2020 Q3.

<sup>3</sup> Source: ING International Survey, Mobile banking 2018.

<sup>4</sup> Source: European Central Bank, calculation from 2010 to 2020.

<sup>5</sup> Source: ING Portfolio Management Bloomberg. Calculation from 2010 to 2020.

<sup>6</sup> Source: ING Calculation based on Eurostat data. 2010 - 2020.

<sup>7</sup> Source: ING Portfolio Management Bloomberg. Calculation from 2010 to 2020.

With a bit

of patience you can

achieve a lot



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