

Five approaches to investing in shares

With your personal goals in mind, reflect on which of the following investment strategies appeal to you. Remember, you might use a range of strategies or platforms, depending on your goals.

Approach	Considerations	Notes
<p>Micro investing I.e. Sharesies, Raiz</p>	<ul style="list-style-type: none"> • Usually no minimum investment. • Round-up options can be handy for helping to save regular small amounts. • Potentially lower fees when investing smaller amounts. • Potentially higher brokerage fees if you're investing larger amounts. • Some platforms have monthly fees, so consider if you're using the platform in a way that justifies these. • Potential risk of having your assets pooled with others. • Some platforms allow you to choose a portfolio or direct shares, others have fewer options. 	
<p>Direct ownership I.e. Pearler, SelfWealth, CMC, ThinkMarkets, Commsec, NABTrade etc</p>	<ul style="list-style-type: none"> • Often need a minimum amount to invest, e.g \$500 for ASX listed investments. • Some have a flat rate for buying/selling ASX listed shares, ranging from approximately \$6.50–19.95 per trade. • Some have \$0 brokerage for ETFs. • You become a direct shareholder. As a shareholder, you're often able to vote on leadership and issues affecting the company. • In some cases, the convenience of being attached to your bank. • Some platforms offer trading and investing education. • Some platforms offer more technical analysis opportunities than others. 	
<p>Custodian ownership I.e. Superhero, Sharesies</p>	<ul style="list-style-type: none"> • Often no or low minimum investment. • Potentially lower fees or lower flat rate for buying/selling ASX listed shares than platforms offering direct ownership (can be \$5 or less per trade). • Some have \$0 brokerage for EFTs • Potential risk of having your assets pooled with others, as opposed to direct ownership. 	
<p>Super</p>	<ul style="list-style-type: none"> • Potential tax benefits. • Considered a longer term investment strategy as can usually only access upon retirement, unless meeting another condition of release. • The investment research in many cases is done for you by your fund. • If you're over 18 and earning a wage as an employee, you probably already have a super fund account. 	
<p>Outsourcing I.e. Robo advisors such as Stockspot or InvestSMART, Financial planners</p>	<ul style="list-style-type: none"> • Potential support for your personal situation. • In many cases, you won't need to do the investment research. 	

Choosing a trading platform

Trading platform fees can include one-off brokerage fees, a percentage fee and/or regular ongoing fees.

A percentage fee means that a portion of the purchase price is calculated as a cost, e.g. 0.275% of a \$1000 investment. While one platform might have a higher one-off brokerage fee, it might be better in the long-term than a platform that has a percentage fee and ongoing monthly fee. It depends on your personal needs and the amount you have invested. Remember, fees are just one area to consider. Use the table below to help investigate the right platform for you.

	Platform 1	Platform 2	Platform 3
Does the platform suit my needs? i.e. buy/sell shares, ETFs, round up, small v large sums, regular automated deposits, etc			
What are the fees?			
Is the platform user-friendly?			
Is their customer service helpful and responsive?			

Buying & Selling

Buying and selling shares can be a relatively straightforward process once you get your head around a bit of lingo!

The process also varies slightly depending on which platform you use. Many platforms will have educational support to take you through the practicalities of making a purchase.

To get you started, below is a basic guide to some of the traditional platforms.

The more traditional platforms typically follow a few simple steps:

1. Ensure you've transferred enough \$\$ to the account to fund your trade and any brokerage costs. Check with your platform for options to do this.
2. Select your stock by entering the company name or stock code.
3. Enter the number of shares you'd like to buy OR the amount you'd like to invest.
4. Choose your order type. You can usually opt to buy at the current price or use a limit order to pick a lower price.

Some platforms offer more complex options but the most common options include :

- **Market order:** this means you're choosing to buy or sell shares as soon as possible at the most current available price, or;
- **Limit or stop order:** this means you are setting the price. If/when the shares reach your desired price, the transaction order request will go through

5. Preview and confirm purchase.

While you may be able to view your share purchases via your trading platform, you might also like to develop your own way to keep track. If you'd like, you can get started here.

Purchase date	Stock	Purchase price (Per share)	Number of shares purchased	Transactional total (Including fees)	Notes