

Diversification

Why Spreading Your Investments Is Smart, Safe, and Powerful



What Is Diversification?

If buying property is all about location, location, location - then investing is all about **diversification, diversification, diversification.**

Think of your money as a garden. A single beautiful flower is vulnerable to one storm. But a mix of flowers, herbs, and trees? It thrives through all seasons.

Diversification means **not putting all your financial eggs in one basket. Instead,** you invest across different assets, sectors, and countries, so your portfolio stays strong, even if one part takes a hit.

Why “All In One” Can Be a Risky Bet

Putting all your money into one company, one sector, or even one savings account can be risky and backfire.

Economic shifts, political unrest, or one bad headline or scandal could seriously damage that one place you put your money, seriously affecting your returns.

A well-diversified portfolio acts like a financial shock absorber – **it helps you cushion nay downside and keep your investment smooth,** no matter what the market throws your way.



How Diversification Smooths the Ride

1. Balance = Stability

Different assets behave differently. When one zigzags, another might glide. Stocks might surge, while bonds stay calm. This mix softens extreme highs and lows, making your money's journey steadier and more consistent.

2. It's a Long Game

A diversified portfolio may not always "win big," but it's far less likely to crash. And over time, that steady, dependable growth is more likely to compound into real wealth.

3. Global Advantage

Great things don't only happen at home. Diversifying globally gives you access to growth trends in different countries, industries, and economies.



The Basket Strategy: What We Include

At MoneyShe, our expert investment team focuses on blending different assets – for example, in our **Absolute Return Portfolio**, we hold an average 44% bonds, 55% equities and 1% cash. This drills down to:

Bonds: 211 Government bonds and 2,864 corporate bonds

Equities: 7,349 holdings

Regions: covering UK, Europe, US, Emerging Markets, Japan

Quick Ways to Win with Diversification (Even If You're Just Starting)

- You don't need to be rich. Start small and top up regularly if you can.
- Use low-cost funds like ETFs, that invest across markets and industries.
- Stick with it. Once you have set up a portfolio that suits your risk profile, you can get on with your life whilst experts do the hard work of growing your portfolio over time.
- Don't panic during dips - your diversified plan is built to weather storms.

Diversification isn't about chasing the biggest returns. It's about creating a balanced, resilient investment plan that helps you sleep better at night.

By spreading your investments, you reduce risk and increase the chance to benefit from growth wherever it happens.

At MoneyShe, our mantra is: **Keep it simple. Stay diversified and let time do its compounding magic.**



**Let us be your pocket professional wealth manager.
Because *Smart Women Deserve Smart Investments.***

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Important Information: Capital at Risk

The value of investments and the income from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally invested.

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