M&G Investments
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Financial self-care for moms this Mother’s Day

It’s well known that moms often tend to put others first; in fact, the ability to set aside their own needs in favour of their children has been traditionally considered a mark of being a good mother. Fortunately, times have changed, and we now know that mothers also have a right to look after themselves as well, and that self-care is just as important as caring for others.

Interestingly, however, is that there is research to suggest that some mothers may find the notion of putting themselves first somewhat challenging, in that they struggle with certain fundamental “self-help” concepts such as accepting help from others and setting much-needed boundaries. These can be major obstacles when trying to focus on their own wellbeing, with the knock-on effect being an increased risk of putting their own needs on the “back burner” so to speak.

This is undoubtedly a risk with guarding against, as some of the decisions that mothers are responsible for making today, can have a long-term impact (positive or negative) on both themselves and their children. Finances are a good example of this. More and more, mothers are taking increased responsibility for managing their families' finances. While coordinating the day-to-day costs of running a household is certainly important, it’s equally important to set money aside each month for themselves as part of a long-term investment plan. These types of investments usually require some degree of time to be truly effective, which is why it's vital to start investing as soon as possible.

So **in honour of Mother's Day this year**, we've listed five investment tips below to help all mothers get started on their financial journey to self-care.

Tip 1: Define your investment goals

While investing towards your retirement may not be as exciting as an overseas holiday, for example, it does demonstrate the importance of long-term thinking and defining your investment goals upfront. Knowing when you plan to retire and how much you'll need at that point is vital in determining how much you'll need to contribute on a monthly basis. Our Retirement Calculator is a great way to check if you're still on track or if you need to make any adjustments to your existing retirement plan.

Tip 2: Review your budget

Of course, setting money aside every month requires some degree of disposable income. Reviewing your budget is a great way to identify just how much you can reasonably invest, and areas where there may be an opportunity for you to free up some extra cash. Fortunately, investing with M&G Investments starts from as little as R500 per month and there is a range of different options for you to choose from (see Tip 5 below for more information).

Tip 3: Have a realistic deadline

Having a realistic deadline in place not only makes your investment goals more tangible, it also helps to keep you motivated. Unfortunately knowing what a "realistic" timeline looks like can be challenging, which is where our Goal Calculator can help you. By simply following a few easy steps, you'll not only be able to find out just how much you'll need to invest, but also how long you'll need to invest for in order to reach your investment goals.

Tip 4: Understand who you are as an investor

This part refers to your investor profile, particularly your investment time horizon and risk tolerance. The reality is that the value of your investment is likely to go up and down (also referred to as volatility) during your investment journey. As a rule of thumb, the longer your time horizon, the more risk assets (such as equities and property) you should be able to hold as volatility tends to smooth out over time. The opposite holds true for shorter-timeframe investments, where less-volatile fixed-income assets may be more appropriate. Our Fund Selector tool is a great way of finding out which of our funds are best suited to your investor profile and objectives.

Tip 5: Start investing and keep going

Most investment professionals will agree that you need to put in the time to build up wealth. The easiest way to do this is to start as soon as possible and remain invested for as long as possible. While this may seem easy in theory, the reality is that there are a lot of obstacles that can get in the way, such as negative news headlines. The trick is to simply ignore the noise and allow your chosen fund manager to navigate the investment landscape for you. Staying the course during volatile markets is a good approach and has proven a successful investment strategy time and time again.

As a concluding point, while many mothers are the cornerstone of their households, we recognise that sometimes they may need a little help, especially when it comes to taking care of themselves. Hopefully, the above tips can serve as a guide to get started, but for those who feel like they may need an extra helping hand, a good port of call is to seek the advice of a good independent financial adviser. As the saying goes, asking for help isn't necessarily a sign of weakness, but rather a sign of strength.

For more information, please feel free to contact our Client Services Team on 0860 105 775 or email us at info@mandg.co.za.