New to Investing? Here Are 3 Easy Ways to Get Started

## Description

When you finally decide to start investing or finally have the funds to begin, it's a big step in your life, and one that's moving you closer to your goals.

If you are new to investing, though, it can be daunting to think you have to learn the endless metrics and figures that fellow investors and analysts use. Furthermore, valuing each company and learning all about the industries and the economics that drive them can be extremely time consuming.

For this reason, it's recommended that those investors don't bother picking stocks; instead, spend your time researching the best exchange-traded funds (ETFs) to invest in.

ETFs are an easy way to gain exposure to a number of securities, whether it's stocks, bonds, derivatives or a combination. The rise in ETFs has come, as investors who'd bought mutual funds for decades finally called on lower fees and easier ways to buy and sell them.

Nowadays, there is an ETF for almost anything, and they are mainly split into either being active or passive ETFs. Active ETFs are actively managed by investment professionals and correspondingly come with higher fees to pay the salaries and cover commission costs. Passive ETF's track a predetermined index and therefore the securities are only re-weighted every quarter, but the core of the fund predominantly stays the same.

Since there are so many possibilities, ETFs really give you flexibility to choose what fits your investing needs and the diversification you may not be able to achieve, especially if you are just starting out with a small amount of funds.

One of the most popular ETFs to buy in Canada would be a passive index ETF, such as **iShares S&P/TSX 60 Index ETF**.

# XIU

iShares is an ETF that tracks the S&P/TSX 60 Index, an index of 60 of the largest companies in

Canada that give investors exposure to all 10 industries on the TSX.

Index ETFs have always been popular among investors, but one of the biggest fans of index ETFs is Warren Buffett. Although Buffett would never buy them for himself, he has stated that the majority of individuals would be best off buying index ETFs and never touching their money.

This is because index ETFs track the broader market, which has always proven to appreciate substantially when looking at it long term.

Aside from a passive investment like this that should grow and compound your money slowly and with stability over time, you may want something with a bit more upside exposure, like **Horizons Marijuana Life Sciences Index ETF**.

## HMMJ

Horizons Marijuana is a great way for investors who have some play money and want to speculate on the cannabis industry to gain some exposure.

It's almost impossible to predict what's going to happen in the industry, especially with the political uncertainty in each province, so speculating on specific companies is next to impossible.

HMMJ makes it easier for investors to speculate, as you only have to worry about the industry as a whole performing, rather than an individual stock.



The fund has come down a lot recently, as the sector experiences a selloff, but if you think it may be oversold or just want some small exposure to cannabis, buying the HMMJ is one of the safer ways to do it, although it's still high risk.

An example of a managed ETF you may want to consider would be **Horizons Active Corporate Bond ETF**.

## HAB

This is an ideal ETF for those investors that need or want fixed income but maybe don't have a tonne of funds to diversify themselves.

Horizons Active's portfolio managers actively manage this ETF, making sure that unitholders always have exposure to some of the top and safest corporate bonds available.

Its goal is to provide investors with stable income and invests in a portfolio of Canadian and U.S. corporate bonds.

## Bottom line

There are an endless number of ETFs to choose from, so if you are new to investing or only have limited time to do research and worry about your finances, ETF investing may be what's best for you.

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