



## The 3 Worst Mistakes Investors Are Making Today

### Description

If there's one thing investors don't want to do in today's economic environment, it's make a mistake. There are some doozies out there, and if you make them, you could risk bringing your entire portfolio to a crashing halt. At the same time, it's also never been a better time to reevaluate your investment portfolio.

With a huge number of top stocks trading at undervalued prices, it's a great time to look over your portfolio and make some changes. Whether it's buying new stocks, buying up more of the same, or keeping things where they are, you can never go wrong looking over your portfolio. Just make sure you don't then fall into one of these traps.

### Market timing mistakes

While it's a great time to buy up stocks on the cheap, analysts have been saying we could see more dips. So herein lies the first fatal mistake many investors fall into. You sit and wait for a market bottom to hit, timing the markets for what you think is the best purchase price.

But while you wait around for that perfect price, you're losing out on the gains you could be making! The stock just keeps rising, and suddenly you realize you've missed the bottom.

Instead, what you should do is buy strong stocks that will make you cash for years, not a few bucks in a month. Stocks could fall again, so you want stocks that aren't likely to do that. Another mistake investors can make that goes hand in hand with market timing is turnover.

Every time you sell looking for that quick cash, you're paying a commission fee. So save time and money and forget about market timing.

### Diversity wins

If you want a really strong portfolio, don't put it all [into one stock](#). Even if it's a great blue-chip company,

even that stock will dip from time to time. Instead, it's far better to have a wide range of stocks in various industries and types of stocks to pick up the slack when another area drops.

No one could have predicted that tech stocks would do well today. While even bank and energy stocks slump, tech stocks have soared with the move to e-commerce and working from home taking over.

While I don't necessarily think tech stocks are the answer, buying those along with banks, energy stocks, [dividend stocks](#) among others. Look at some strong Exchange-Traded Funds (ETFs) or even the **S&P/TSX** for ideas on strong stocks that could make a good contribution to your portfolio.

## Patience is key

Don't get ahead of yourself. Sure, you might be making great gains, but don't sell just yet! Have a goal and mind and keep working toward that, not the few bucks you've made in the last few months. Selling on your gut never ends well.

Keep your emotions and check and have a specific number to keeping saving towards. That way, you'll keep your patience ahead of that sell button.

By keeping all these points in mind, investors are far more likely to keep growing their funds and avoid these mistakes. Keep on track toward that goal, and decades from now you'll be glad you were patience, a diversified account — and kept turnover to a minimum.

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