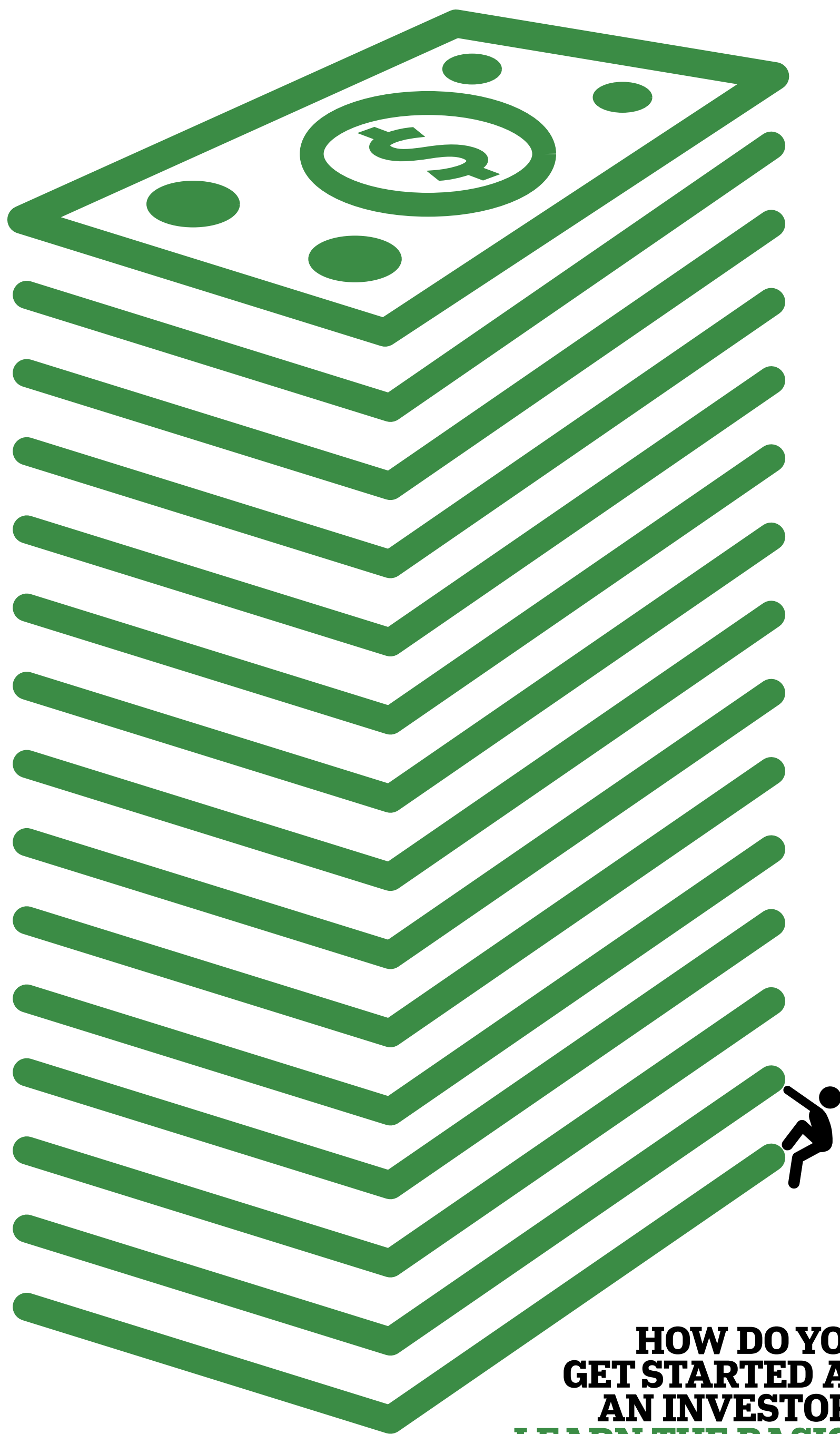


BUSINESS

MONEY • WORK • KNOW-HOW

MONDAY, JUNE 5, 2023 • SECTION D



HOW DO YOU GET STARTED AS AN INVESTOR? LEARN THE BASICS

Six money tips new graduates should know

By MICHELLE SINGLETARY
Washington Post

The congratulatory greeting cards are nice, but let's face it: When new grads rip one open, they really hope there's cash or a check inside.

What we should be giving graduates is financial knowledge. That will help them build lasting wealth.

Since a lot of personal-finance advice doesn't change, I like to revisit the advice I often give new high school and

college graduates.

Poet Ralph Waldo Emerson complained that students aren't taught basic life skills: "We are shut up in schools and college recitation rooms for 10 or 15 years and come out at last with a bellyful of words and do not know a thing."

How true that statement is, especially as it relates to money.

Here are six basic yet vital tips to help young adults keep their debt burden down and their net worth climbing.

I'm sure you've heard someone say, "Well, they said you need to buy a home to build wealth." Or maybe, "Paying rent is a waste of money."

They may say: "Don't worry about paying off your college debt right away because it's good debt. Invest instead."

Who are "they"? I'll tell you who. Most often, it's people with a biased interest in how you spend your money.

They are frequently wrong. See **SINGLETARY** on D6 ▶

Just a few bucks a day can, long term, help achieve financial goals. But, there is still risk.

By BROOKS JOHNSON • brooks.johnson@startribune.com

If you want to put some money in the stock market, it could be as simple as downloading the Robinhood trading and investing app and pouring money into "meme stocks" like AMC or GameStop.

But a little planning can be the difference between treating stocks like a slot machine and building a portfolio to achieve financial goals.

Before opening a brokerage account, studying investment strategies and tracking price-to-earnings ratios, new investors first need to know themselves and the answer to this all-important question: What is your risk tolerance?

"I couldn't give blanket advice. Everyone's tolerance for risk is different," said Chris Kruse, a financial planner at Edward Jones. "How do you get started? It starts with the individual and the uniqueness of their situation."

Individual or retail investing — having an active role in portfolio decisions as opposed to passively contributing to a 401(k) or another managed retirement plan — had a big moment during the pandemic.

See **INVEST** on D3 ▶