To buy or not to buy?

■ Don’t invest on impulse

Do you have sufficient understanding of the stock? If someone says he can help you make quick money, don’t act on it immediately – it’s likely too good to be true. Do your research from multiple sources.

■ Don’t chase trends

Are you pressured to buy a stock because the price is rising? Are you doing it only because your friends are? For every success story you hear, there are hundreds who have made a loss. If you’re not the first mover, it’s probably too late to catch the trend.

■ Understand your financial health

Are you putting most of your available funds into one stock? Will you struggle financially if you make losses? Amass 3-6 months of emergency funds and positive cash flow before investing.

■ Diversify

Instead of speculating for quick gains, invest across different asset classes to reduce market risks and generate steady, long-term returns.

Sources: DBS, UOB, Endowus   Compiled by BT