

## Investing today? Is Now a Good Time to Invest in stock market?

The right time to get back in the market could be just round the corner. With worldwide economies sinking, infrequently dramatically, it could be a frightful thought to put your precious cash on the line. However, a smart financier will notice that golden opportunities are appearing if correct research is done. If you look at a long term chart of the DJX average, you will see that it is at present at some of the 2002-2003 levels. It's dropped dramatically since the money collapse of 2008-2009, but it remains in familiar territory. It might take another two years or more for a big upturn in the markets, but at least we are hoping the DJX will not drop below seven thousand points. That can bring hope and some tranquillity about beginning to invest again.

&nbsp; The tenet of \$ Cost Averaging springs to mind in this market situation. It is the method of purchasing stocks or similar investments on solidly, for example once a month, employing a fixed quantity of money. When costs are low, you're able to buy more shares. In this manner, you're able to use temporary low costs. This is particularly beneficial for long-term investments, for example retirement accounts. It may go against human nature to buy stocks when everything is falling and red but in reality it can cause a larger payoff if done properly. As fast as you believe the markets will not drop much more, that is the time to start investing. When an upturn starts, it may occur so quick that you can miss a significant portion of it. There are billions of greenbacks of money on the sidelines, just waiting to go into the market when the time is right. &nbsp; You can think what impact that may have on costs due to a steaming demand but limited supply of stocks and mutual funds. There are lots of low-priced stocks now. Don't jump into any old stock simply because the price is low. There could be reasons for it, for example the company being dangerously close to bankruptcy. Is it a good deal? The govt. Will most likely not let them go into bankruptcy because that would have disastrous is affecting on the country. Even if they survive, though, they may not prosper, and the share price might hold its worth or drop even more. &nbsp; &nbsp; This is simply an example of how tricky it can be to make a trading call at the present time. You also have to consider the way in which the company is changing to the economy. Are they offering low-price items to their customers? Are they reducing costs noticeably, like layoffs, to stay in business? Do they have access to enough credit to remain operational? These are vital questions to consider before making a trade. This is potentially the most critical factor that merchants are considering at the moment. Why put your cash into investments if they are just going to drop again? The governing body is trying tough to stabilise the economy, but there are a few experts who believe there's more doom and gloom in the future, with added repossessions, bank failures, and lost roles on the way. Plenty of this relies on the way the regime handles the situation and how the general public perceives their actions. If the general public believes things are stabilised, they'll begin to spend and invest again, companies will have more cash and they can hire more folk, and the economy can start to prosper again. When this could occur, no-one knows for sure. Hopefully in 2009 it will but it could be 2010 or later.

## About the Author

You will find more and more information on this website, soon we will be opening a unique investment club coached by highly succesfull trader in the stock market.

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