

# 5 STEP INVESTMENT SOLUTION GUIDE

Investing can be quite daunting. That is why we have developed this easy **5 step investment solution guide** to help you make the right decision when it comes to your investment.

## How does the guide work?

You know how much you want to invest, and you know what you want to achieve with your investment.

We want to help you make the most informed decision. **So let's start.**

Next you will find steps with questions that the investor needs to answer. Every question has a small explanation attached to it that you can read through.

Once you are sure of what the question is about, tick the number (1, 2 or 3) next to the answer that best suits your investment needs.

Please make sure you circle the right answer that matches your investment needs and only choose one answer per question.

# 5 STEP Investment Solution Guide



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## STEP 1

**Time Horizon:** Time horizon is the length of time from when the investment is made up until the expected time at which it may need to be withdrawn. Generally speaking, a short time horizon proposes a conservative investment, whilst a longer time horizon indicates towards a more aggressive investment. Consider your age, cash-flow needs, and overall financial position in making your selection.

- 1 0 - 2 years
- 2 1 - 3 years
- 3 3 - 10 years and longer

## STEP 2

**Expected Return:** Your investment return expectation is a key driver of your investment goals. Generally bank deposit rates are the most conservative returns an investor can expect to receive. In order to achieve higher returns than bank deposit rates more risks are normally associated with the investment. To determine your expected return consider your income needs from the investment, whether you wish to simply preserve the investment in terms of inflation or whether you wish to seek to create wealth from the investment by inflation beating returns.

- 1 Bank Deposit Rate
- 2 Bank Deposit Rate plus 2 - 4%
- 3 Bank Deposit Rate plus 5% and more

INVEST NOW!

## STEP 3

**Market Risk:** Market risk is the possibility of investment value decreasing in value due to fluctuations in the market value of an investment. Generally the higher the market risk the higher the expected return. This implies that an investor who seeks higher returns accepts higher levels of price movement (volatility) in the short term.

- 1 Low volatility
- 2 Medium volatility
- 3 High volatility

Once you have completed Steps 1 -3 and answered all the questions according to the best solution for your investment needs, turn the page around for Steps 4 and 5.

Bank Windhoek  
Unit Trusts

Capricorn  
Asset Management

BW Financial Advisors (Pty) Ltd.  
(Reg. No. 2003/561)

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Together we do better.

Bank Windhoek Unit Trusts Capricorn Asset Management

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# STEP 4

Now that you have completed **Steps 1 – 3** on the previous page, and answered the questions that best suit your individual needs, it's time to put your answers to action and decide the path most suited for your investment. Here's how we are going to do it. Below you will find a matrix divided into three different segments. We now need to link your answers in **Steps 1 – 3** to the matrix below.

1. If you've chosen the number **1** on any one of the answers in steps 1- 3, then your investment solution will be allocated underneath **column 1** below.
2. If you haven't chosen the number **1**, but the number **2** on any one of the questions in steps 1 -3 then your investment solution falls beneath **column 2**.
3. If you only chose the number **3** for steps 1 – 3 then your investment solution is under **column 3** below.

Column 1								Column 2					Column 3			
Product	Bank Windhoek Ltd			Republic of Namibia Treasury Bills	Bank Windhoek Unit Trusts			Bank Windhoek Ltd	Republic of Namibia Internal Registered Stock	Bank Windhoek Unit Trusts			Bank Windhoek Unit Trusts			
	Saving Account	Notice Deposit	Fixed Deposit		Selekt Fund	Investment Fund	Commercial Fund			Fixed Deposit	Term Fund	Enhanced Bond Fund	Premier Fund	Property Fund	Equity Fund	International Fund
<b>Product Overview</b>	Range of typical saving accounts covering various saving needs	Investment subject to a 32,60 or 88 days notice period	Investment with a fixed maturity date and thus fixed term	Money market investment with fixed term of 3, 6, 9 or 12 months	Money market investment with bank guarantee	Money market investment with exposure mostly to government and bank paper	Money Market investment with exposure to commercial paper mostly outside the banking industry	Investment with a fixed maturity date and thus fixed term	Long term investment in capital market offering fixed bi-annual coupons	Investment in a diversified range of medium term interest bearing instruments	Investment in a diversified range of capital market instruments	Prudentially managed convenient investment covering all major asset classes	Investment in a diversified range of listed commercial and industrial property	Investment in a diversified range of selected listed domestic shares	Investment in a diversified range of selected international shares	
<b>Typical Investment Term</b>	1 - 24 months	1 - 24 months	3 - 12 months	3 - 12 months	1 - 24 months	1 - 24 months	1 - 24 months	2 - 5 years	2 - 20 years	1 - 3 years	2 years and longer	2 years and longer	3 years and longer	5 years and longer	5 years and longer	
<b>Minimum Investment Amount</b>	N\$ 50	N\$ 500	N\$ 500	N\$ 10,000	N\$ 50,000	N\$ 50,000	N\$ 50,000	N\$ 100,000	N\$ 50,000	N\$ 10,000	N\$ 10,000	N\$ 10,000	N\$ 10,000	N\$ 10,000	N\$ 10,000	
<b>Initial Fee</b>	None	None	None	Trading Fee	None	None	None	None	Trading Fee	None	None	None	None	None	None	
<b>Annual Fee</b>	None	None	None	None	1.00%	0.50%	0.75%	None	None	0.60%	1.00%	1.00%	1.25%	1.50%	1.50%	
<b>Access to Investment</b>	Available on demand	Availability subject to applicable notice period	Only available at maturity	Convertible to cash fairly quickly subject to limited market risk	Available on demand	Available on demand	Available on demand	Only available at maturity	Convertible to cash fairly quickly but with medium level of market risk	Available on demand	Available on demand subject to medium level of market risk			Available on demand subject to high level of market risk		
<b>Early Withdrawal Penalty</b>	No	Yes	Yes	Trading Fee	No	No	No	Yes	Trading Fee	No	No	No	No	No	No	
<b>Nature of Overall Return</b>	Capital preservation with medium to high income							Capital preservation with high income	Capital preservation with high income	High Income	Moderate income and moderate capital growth	High income with moderate capital growth	Low income with high capital growth			
<b>Income Characteristics</b>	Floating rate in line with short term interest rate movements		Fixed Rate		Floating rate in line with short term interest rate movements			Fixed Rate	Fixed Rate	Floating rate in line with longer term rates	Fixed Rate	Mixed return based on underlying investments	Return based on prime lending rate	Market-linked income		
<b>Income Distribution Frequency</b>	Monthly	Monthly	Monthly/ At maturity	At maturity	Monthly	Monthly	Monthly	Monthly / Quarterly / Semi-annually / Annually	Bi-annually	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Bi-annually	
<b>Withholding Tax</b>	Income fully taxed			None	Income partially taxed			Income fully taxed	None	Income partially taxed		Income partially taxed	Income partially taxed	Income modestly taxed		
<b>Benchmark</b>	n.a	n.a	n.a	n.a	Bank of Namibia 7 day repo rate		Republic of Namibia 3 month TB index plus 1%	n.a	n.a	Republic of Namibia 12 month TB index	BESA All Bond Index	Composite Money Market, Bonds, Property, Shares and Foreign	South African Listed Property Index	JSE Top-40 SWIX	Composite Foreign Shares	
<b>Monthly Savings Option Available</b>	Yes	Yes	No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	
<b>Minimum Monthly Savings Amount</b>	No minimum	No minimum	n.a	n.a	N\$ 1,000 subject to minimum balance of N\$50,000 on account			n.a	n.a	N\$ 1,000	N\$ 1,000	N\$ 1,000	N\$ 1,000	N\$ 1,000	N\$ 1,000	

Now that you have identified your investment solution, it's time to contact the right people.

# STEP 5

Contact your nearest Bank Windhoek branch	Contact your nearest Bank Windhoek branch	Contact your nearest Bank Windhoek branch	Capricorn Asset Management 061 299 1955	Bank Windhoek Unit Trusts 061 299 1948	Bank Windhoek Unit Trusts 061 299 1948	Bank Windhoek Unit Trusts 061 299 1948	Treasury 061 299 1648	Capricorn Asset Management 061 299 1955	Bank Windhoek Unit Trusts 061 299 1948 or BW Financial Advisors 061 294 7336	Bank Windhoek Unit Trusts 061 299 1948 or BW Financial Advisors 061 294 7336
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### Risk Statement:

Please note that the information contained in this document is of general nature only, does not constitute financial advice and does not take into account the investor's individual and unique investment character, circumstances or needs. All investments involve risk which may result in the loss of money invested. Before making decisions about your investments, you should consider your individual circumstances and sentiment towards all the risks associated with investments. We encourage you to seek advice from an authorised financial advisor registered at Namfisa. The fees indicated are correct at time of print and may change. [Terms and conditions apply.](#)