



ECFH Financially Speaking

East Caribbean Financial Holding Company Limited

We continue our focus on increasing your investment savvy with yet another important term. This week's term is: **Investment Horizon**

The **investment horizon** is the length of time a sum of money is expected to be invested by an individual, for example, in a government bond or Treasury bill (T-bill), each of which has varying maturity lengths. An individual's **investment horizon** depends on when and how much money will be needed for that individual's financial goals. The **investment horizon** influences the best investment strategy needed to achieve the particular financial objective.

What does this mean for you?

There are a number of factors which may determine your **investment horizon** which include your age and as mentioned previously, your particular financial goals. So, for example, if you have just started working but have already started planning for retirement, you would have a longer **investment horizon** for your funds than if you were nearing retirement and about to leave the job market. In the latter case, your **investment horizon** would be shorter and so that would mean investing in the safest possible financial products that are quite low risk and have steady returns. To find out more what your **investment horizon** should be, feel free to call Bank of Saint Lucia's Wealth & Asset Management Division (WAM) at 456-6104 or ECFH Global Investment Solutions at 457-7233.