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How To Change Up Your Investment Strategy This Year

The key is being open to alternative assets, like blue-chip art
by Masterworks (Paid Content)




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At this point in your life, you might think your investments are set in stone. You've done your research and you have a plan for what you'll cash in and when. However, diversifying your investment portfolio is especially beneficial, no matter where you are in your investment journey. A diversified portfolio helps protect you from volatile markets. It includes affordable options for investing that provide new ways to grow your wealth. A diverse portfolio also offers you the chance to invest in more liquid assets (that is, assets you'll be able to convert to cash quickly and easily if the need arises).

Now is a great time to reassess your investment strategy and firm up your financial future. Here are three strategies for taking a new approach this year.




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First, take a fresh look at your goals

Before revamping your investment strategy, take some time to map out your financial goals for the next five to ten years. For some, investment priorities might be minimizing risk and maintaining enough money to live comfortably. Others might plan to buy a new home soon and need assets that will appreciate quickly and can be liquidated when it's time to make an offer. You'll want to consider the tax implications of your strategy, too, so you're not hit with a surprise bill when April comes around.

Go beyond stocks and bonds

Again, it's all about diversification. Your stocks and bonds may have gotten you this far. However, diversifying your portfolio even further can provide a more secure financial future down the road. With that in mind, analyze your current portfolio to see what's missing or where it's been underperforming. This is an excellent time to consider alternative investments that can be less affected by market volatility. It's also important to take a step back to see how different options have performed historically before making any moves.




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Consider investing in art

Investing in art used to require both insider knowledge of the art world and a large up-front cost to buy a physical piece. Not anymore. The art market is now modernized, so anyone can invest with platforms like Masterworks. This allows you to purchase fractional shares of blue-chip contemporary art by recognizable, critically acclaimed artists like Pablo Picasso and Claude Monet. Then, these pieces are typically held for 3-10 years until they are eventually sold for a potential profit. In the interim, they have a secondary market, which holds the possibility of selling your shares to other members.

Historically, art has also been a relatively low-risk investment since it tends to appreciate over time. This is especially true of work by big-name artists. In fact, Masterworks' investments have returned 13.6% a year since 1995 – compared to 9.5% for the S&P 500¹. Since the art and collectibles market is estimated to be worth around \$1.7 trillion², now is the perfect time to add this unique investment to your portfolio.


[Click here to learn more about opening an art investment account with Masterworks.](#)

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¹ <https://www.masterworks.io/>

² https://www2.deloitte.com/content/dam/insights/us/articles/22742_artful-investment-01_Artful-investment-01-Figure-4

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