



Every Pinoy's quick starting guide to

Investing in Philippine Stock Market

Smart Pinoy Investor Series



HOW TO INVEST IN PHILIPPINE STOCK MARKET

START INVESTING THIS WEEK

STEP 0 – INVESTIGATE INVESTING

Understand first what investing in stock market is all about. Hey, it's your hard-earned money at stake here so never plunge into the market without knowing the basic do's and don't's. However, this should be a continuing process so you can proceed to the next steps while doing this. But let me give you a quick start points here.

When a company wants to raise money for possible expansion, one option it can take is to raise the fund from people outside the company. It can do so by selling a minority part of ownership of the company to these people, whom we will call as investors. This form of ownership in a company is called **shares**, which can also be called **stocks**. If you buy a stock of a company, you therefore become a part-owner of it. Cool, huh?

So how do you make sure that you make money out of investing?

Simple: Become part-owners of fantastic companies. In other words, only buy shares or stocks of companies who are earning big money consistently! **Key word**: consistently.

You'll learn some tips below how to do this.

BE A SMART INVESTOR

Hi there!

Welcome to this quick start guide to investing in Philippine stock market.

Check this [page](#) for more beginners' topics.

Email me [here](#) if you have other questions.

Happy investing! 😊

- oMeng Tawid

STEP 1 – OPEN AN ONLINE TRADING ACCOUNT

Unfortunately, you cannot buy your first stock alone. You will need what you call a **stockbroker** or **trading participant** who will place buy or sell orders on your behalf in the Philippine Stock Exchange (PSE).

Fortunately, there are now online brokers available which will allow you to do all your transactions all online (funding your account, buying/selling your stocks, and withdrawing your money).

Opening an online trading account is very similar to opening a normal savings account in a bank. You just need to submit accomplished forms and basic requirements (photocopy of government-issued ID's and billing statement) to your chosen online broker's office.

Don't worry, this will be a one-time application only; the rest of the steps can be done online.

COL Financial, formerly Citiseconline, is my recommended online broker for beginners. You can check this post for the step by step tutorial [HOW TO OPEN AN ONLINE STOCK TRADING ACCOUNT IN COL FINANCIAL GROUP](#). That tutorial is well applicable to anyone –students, newbies, OFWs and even non-Filipino residents!

STEP 2 – FUND YOUR TRADING ACCOUNT

Once your online trading account is approved, it's now ready for funding. Remember, you're *buying* a stock here, so that buying will certainly entail money. While your trading account will give you the gateway to buy a stock, you want to make sure that you have the money to do so.

Funding your trading account is done by making a bank deposit. It works like paying for your bills through a bank. You go to a branch of BPI, BDO or Metrobank, fill out the Merchant Payment slip with your account number (this is provided to you via email once your trading account is approved by your chosen broker) and indicate the amount you'll deposit. This deposit will be entirely transferred directly to your trading account which you can use to buy your first stock.

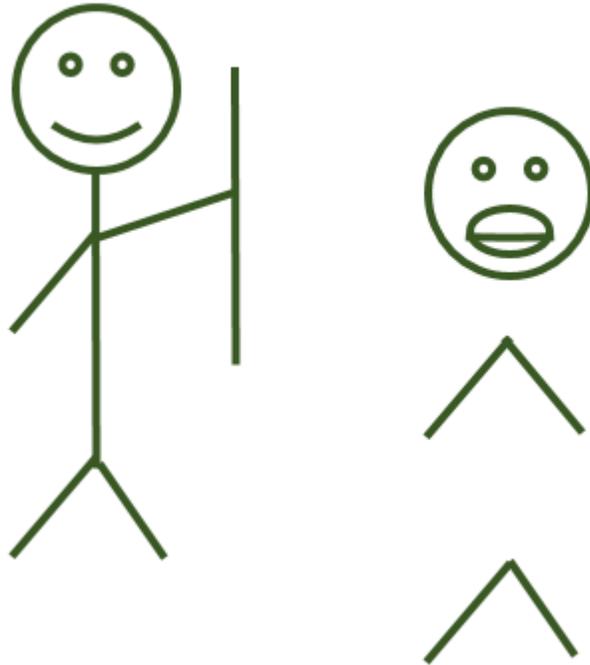
PRO TIP: If you do online banking with your favorite bank, you can enroll your trading account as merchant and fund it online. No more long queues in your bank's branch!

STEP 3 – BUY YOUR FIRST STOCK

Yahoo!

By now you have your trading account and enough funds in it. Time to buy your first stock!

Let me warn you: If you log-in in your trading account, you may become overwhelmed with the lots of menus and numbers you see on your screen. But don't you worry, I've got your back!



Just [click this tutorial](#), follow the steps to buy your first stock and ignore the rest (at this point).

STEP 4 – ENJOY YOUR PROFITS

If you've done Step 3 above properly, you'll soon see your investment growing. And if you're happy with the earnings, you can go sell it. The steps in selling are very similar to what you did in Step 3, except that you're *selling* at this stage, as opposed to *buying*. Note that you can sell anytime.

Once you're done selling, you can now withdraw back your investments if you want to. Withdrawing your investment means you're transferring your investment money from your trading account to your bank account so you can withdraw it using your ATM card, for example. You can follow this [easy tutorial](#) how to do this.

You're done at this point! In case you'll want more help...

I also listed some resources below you can check to help make investing (and growing your money) easier for you:

- [Screening your stocks selection using COL Financial's Model Portfolio](#)
- [Easy Investing with Strategic Averaging Method](#)
- [Intelligent Investing with Pinoy Investor Newsletter](#)
- [Getting the whole picture – Personal Finance + Investment Strategies **\[Free Seminar!\]**](#)

If you have any question, just shoot it to me - omeng@smartpinoyinvestor.com.

Have fun investing,

oMeng Tawid