

INVESTING

SCAN THE QR CODE FOR
INFORMATION ABOUT
ADDITIONAL FINANCIAL
TOPICS



BASICS

THE WHAT, WHY, AND HOW OF INVESTING

WHAT	Investing is owning assets with the hope they will increase in value over time
WHY	a. Build wealth b. Protect against inflation c. Accomplish goals like paying for education, home ownership, and/or having a financially comfortable retirement
HOW	Follow the steps!!! <ol style="list-style-type: none">1. Determine the appropriate type of investment account - traditional brokerage account, IRA, Roth IRA, etc.2. Decide on a brokerage firm (Charles Schwab, E*TRADE, Fidelity, etc.)3. Fill out the new account application4. Fund the account5. Start investing responsibly!!!

INVESTMENT VEHICLES

STOCKS	BONDS	MUTUAL FUNDS	EXCHANGE - TRADED FUNDS
Represents a piece of ownership in a company or a share	A fixed income instrument that represents a loan made by an investor to a borrower. Essentially an I.O.U.	Professionally managed investment fund that pools money from many investors to purchase securities	A pooled investment vehicle that combines aspects of mutual funds and conventional stocks

FACTORS TO CONSIDER WHEN INVESTING

<p>RISK TOLERANCE</p> <p>Level of risk an investor is willing to take</p>	<p>RISK CAPACITY</p> <p>How much risk an investor is financially able to accept</p>	<p>TIME HORIZON</p> <p>Period of time one expects to hold an investment until they need their money back</p>	<p>EXPENSES</p> <p>Management fees and other ongoing costs</p>
<p>INVESTMENT RETURN + INCOME NEEDS</p> <p>Interest, dividends, and capital gains</p>	<p>LIQUIDITY</p> <p>How quickly and easily an investment can be converted into cash</p>	<p>DIVERSIFICATION</p> <p>Spreading your investments among various asset classes</p>	<p>TAXES</p> <p>Investments are taxed differently based on the type of investment, how long you own them, and the type of account they are held in</p>

WHAT TO DO NOW

1. Know your investment objectives
2. Understand the factors that impact your investment decisions
3. Research investment vehicles
4. Decide on, set up, and fund an investment account
5. Do research, seek advice, and begin to invest responsibly
6. Monitor your investments!!!



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