



STOCKS MUTUAL FUNDS

- One company
- High degree of risk
 - Brokers
- No diversification
- Common person averages 7%

- Investment
- Public traded companies
- Earn dividends when the company make profit
 - Traded in shares

- 90-200 companies
- Diversification lowers the risk
- Investors pool their money
- Professional portfolio managers
- 97% of 5 year periods have made money
 - Many types of investments