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# **A Complete Guide To Investing**

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## Course Description

This course teaches you the securities market, the various types of investment securities (stocks, bond, options, futures, tax-advantaged investments, mutual funds, etc.), and the risk-return characteristics of each. It focuses on the principles and tools of investment analysis, asset allocation, portfolio selection and management. The course tells you what are available to invest in, the features of each type of investment, the advantages and disadvantages of each investment category, including global investing, and when a particular investment type might be suitable for you.

<b>Field of Study</b>	Administrative Practice
<b>Level of Knowledge</b>	Basic
<b>Prerequisite</b>	Basic Math
<b>Advanced Preparation</b>	None

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# Preface

*In investing money, the amount of interest you want should depend on whether you want to eat well or sleep well.*

J. Kenfield Morley, *Some Things I believe*

Before you can manage money to maximize your wealth you have to learn the basics about investing since you are a beginning investor. What is the difference between mutual funds and stocks? What is the difference between stocks or fixed income securities? How does appreciation in value differ from current fixed income? As a lay person, should you pick your own investments or should you let professional managers in mutual funds do it? Probably, as a beginning investor you should invest in mutual funds before investing directly in stocks or bonds. What investment style and comfort level is appropriate for you? What is a diversified investment portfolio and how can your assets be allocated?

Our level of discussion will be elementary since this is a basic investment reference for the beginner just learning how to invest for the first time. The course tells you what vehicles are available to invest in, the features of each type of investment, the advantages and disadvantages of each investment category, and when a particular investment type might be suitable for you.

This course covers investor objectives, security markets, security transactions, sources of investment information, appraisal of risk and return, financial analysis, tax-deferred savings plans, investment strategies including active and passive (e.g., indexing), and retirement accounts. There is a thorough explanation of the investment selection process, basic investment terms, indicators, and statistics. Illustrations are given in a user-friendly manner.

You may refer to this course when you need a basic definition or explanation of an investment topic, or your broker calls and suggests a new investment opportunity.

Successful investing is facilitated by obtaining the right information at the right time. The investor should know where to obtain relevant information on specific investments, and how to read and interpret the various sources of data. Specific sources of investment information (publications, media outlets, etc.) are provided and you are guided on how to use these sources in making informed investment decisions.

This course can be used by the inexperienced investor to make everyday investment decisions. It contains easy-to-follow examples from daily life which show you step-by-step what has to be done to realistically achieve your objectives. This course is designed in a question and answer format in order to address the issues that come up when investing. The questions are typical of those asked by lay investors such as yourself. The answers are clear, concise, and to the point. In short, this is a workable easy reference of guidelines, illustrations, checklists, worksheets, charts, graphs, practical applications, recommendations, and how-to's for you, the novice investor. Throughout, you'll find this book practical, quick, useful, and reader-friendly. Another important feature of the guide has to do with how to use a computer for investing. Computerized investing, which is a vital aspect of investing in this day and age, is stressed through the course.

The course helps you understand investments. Keep the course handy for easy reference when you want to invest and make money!

We cover every topic a basic investor might run up against. However, advanced topics probably not appropriate for the lay person are limited to a very brief discussion or a definition in the glossary.

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