**Applying Investment Opportunities into Growing Personal Wealth**

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Determining the information one needs before making investment decisions and how they can access such information makes it easier to develop personal growth goals. Similar to corporations, investors must determine their current financial state and have a complete picture of the opportunities available to make sound choices. Investment options may have higher risks and higher returns or low risks and low returns (Schaefer, 2022). Investors must balance between the riskier and low risk investments in their portfolio to maximize income while managing the level of risk. An example of a high risk investment option is purchasing stocks that gives people ownership of companies and the opportunity to generate income through the rise in stock price and dividends. A low risk investment could be a government bond that pays interest to the bondholders and guarantees the safety of their initial capital (Segal, 2024). The financial position of an individual determines how they allocate their capital by spreading investments among low and high risk investments. For instance, retirees with little income should allocate more funds in the low risk investments such as government and corporate bonds to protect themselves from market and industry failures. Accommodating personal financial information in decision-making when investing ensures that individuals grow their wealth safely while maximizing returns.

In addition to deciding the type of investment that one chooses when allocating capital to grow personal wealth, it is necessary to collect information about the options within each category. Investors allocating a certain proportion of their capital to stocks should investigate the industries and companies they choose by checking their financial statements (McCain, 2015). Sources of important data on stocks can be found in the organizations’ investor section that includes balance sheets, income statements, and the company’s cash flow statement. Similarly, corporations use their financial statements to determine the capacity of their existing assets to finance and repay future debts. It is critical that investors choose the investments that have the highest likelihood of generating income from their initial capital. One needs to choose between companies that pay dividends and the investments whose returns depend on the rise in stock prices. Information about individual stocks ensures that investors spread their risks appropriately to match their goals for personal wealth.

One of the investment options is in the real estate industry where consumers can buy homes and renovate them to increase their value in the market. Making the right choices for the real estate option requires consideration of personal finances, the availability of funds and time to facilitate renovation, and market factors. Investment in real estate is a profitable option for individuals with the capital, skills, and time to conduct improvement to raise the value of the homes. Some investors purchase property with the plan to resell at a higher price and this option ensures the safety of their initial capital (McMillin, 2023). Despite the advantages of real estate investments, it is important that individuals have information about the real estate market such as fees and price fluctuation. The location of the property determine the availability of renters and home buyers which could determine the returns from the initial capital. It is necessary to acquire information about the duration it takes to sell real estate property and the market factors influencing the future prices.

Investing to grow personal wealth is a complex process that requires individuals to determine the information they need to make the right choices. Diversifying investments ensures that investors spread the risk while increasing the returns from their capital. When growing capital, it is necessary to make tradeoffs between high returns and low risks to create the portfolio that matches individuals’ needs. Investors should consider how their financial state and expected income from their investments affect their choices. While diversification protects investors from large losses, it reduces the benefits of financial gains from options offering high returns. Growing personal wealth from investment requires investors to access and use information from the market to make decisions that match their financial goals.

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