| Insert a photo of a corporation that you would buy stock in if you wanted to be SAFE (minimize your chances of losing a lot of money) | Amazon Public Policy (@amazon_policy) / Twitter |
| --- | --- |
| Explain why you think this company’s stock is relatively safe | I think this corporation is safe because it has been a blue chip company, meaning that they will be successful for a long time. More people used amazon during the pandemic. They have fast deliveries. |

| Conversely, discuss at least TWO characteristics of companies that would be more risky to invest in | Two characteristics of companies that would be more risky are bad reputation, and people not interested in your products . If there is bad reputation less people would want to buy from them and if thy are inserted in products they wouldn't wanna buy from you and you dont get more money |
| --- | --- |

| What is a mutual fund? | A pool of money provided by many investors and given to a professional financial manager that invests the money into different investment  Profits are proportionately distributed amongst the investors based on how much they invested  They can grow in value or loose value overtime |
| --- | --- |

| How are mutual funds similar to stocks? | They are both similar because They can grow in value or loose value overtime |
| --- | --- |

| What do fund managers do? | Individuals who manage the mutual funds by picking stocks & bonds  They research the market & make decisions based on the goals of the investor |
| --- | --- |

| If you didn’t want to be too risky or too conservative but somewhere in the middle, what are the types of stocks/corporations your fund should invest in? | Aggressive growth- What type of stocks would a fund manager invest in?  Large companies such as amazon  Safe/Steady growth- what type of stocks would a fund manager invest in?  Small companies/companies just getting started. Your grandparents would wanna be there  Moderate growth-What type of stocks would a fund manager invest in?  A fund manager would wanna invest in blue chip, medium sized companies. Medium sized companies the best on |
| --- | --- |

**Advantages of Mutual Funds**

| Diversification -  Explain why this could be good for an investor | Don't put all of your eggs in one basket  It would be good because you can't risk losing all your money if you don't diversify. |
| --- | --- |

| Managed By A Professional -  Explain why this could be good for an investor | Access to a lot of information  Experienced & Educated  They are highly experienced and have at least gone to fancy colleges for master degrees.  They should do a better job at managing stocks |
| --- | --- |

| Convenience -  Why are mutual funds convenient? | Set it & forget it(for a while anyways)-A professional takes care of it, not you.You trust other people to take care of it. You let other people dependent on you |
| --- | --- |

| What does liquidity mean? | Ability to quickly buy and sell something and how fast it can be turned into cash |
| --- | --- |
| Why are mutual funds considered to be very liquid? | They are considered to be very liquid because they can be turned into cash quickly |

| Insert a photo of an investment that would not be very liquid | 20 Popular Home Styles And Types Of Houses | Rocket Mortgage |
| --- | --- |

**Disadvantages of Mutual Funds**

| Explain why mutual funds have less potential for reward compared to stocks | **There is less risk with mutual funds, you are diversifying your money. It reduces the risk of losing and earning money. Less risk but less potential for reward** |
| --- | --- |

| Explain how mutual fund companies make money | **Different costs associated with mutual funds**  **¨Loads¨ Sales charges operating expenses**  **Hotels make money from other people losing money from gambling** |
| --- | --- |

| When you start your career, will you invest in stocks or mutual funds? | **I will invest in small stocks** |
| --- | --- |
| Explain why | **If I invest in small stocks.the significant upside growth potential that is unmatched by larger companies. Small-cap value index funds also offer a way for passive investors to boost returns. Merger and acquisition activity provides another opportunity for small-cap investors.** |