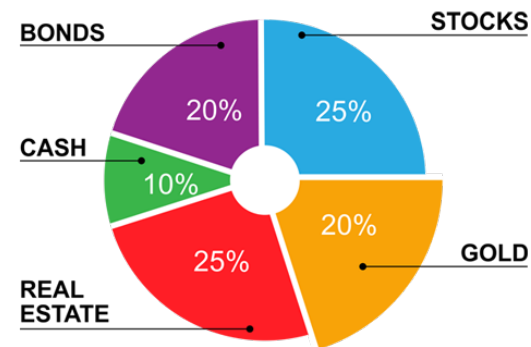


INVESTING BASICS



STARTING STEPS

- Be sure you have your budget in order so you understand how much you have to invest
 - Consider short term vs long term goals
- Understand your “RISK TOLERANCE”
- Educate yourself on different investment options
- Diversify* your investments



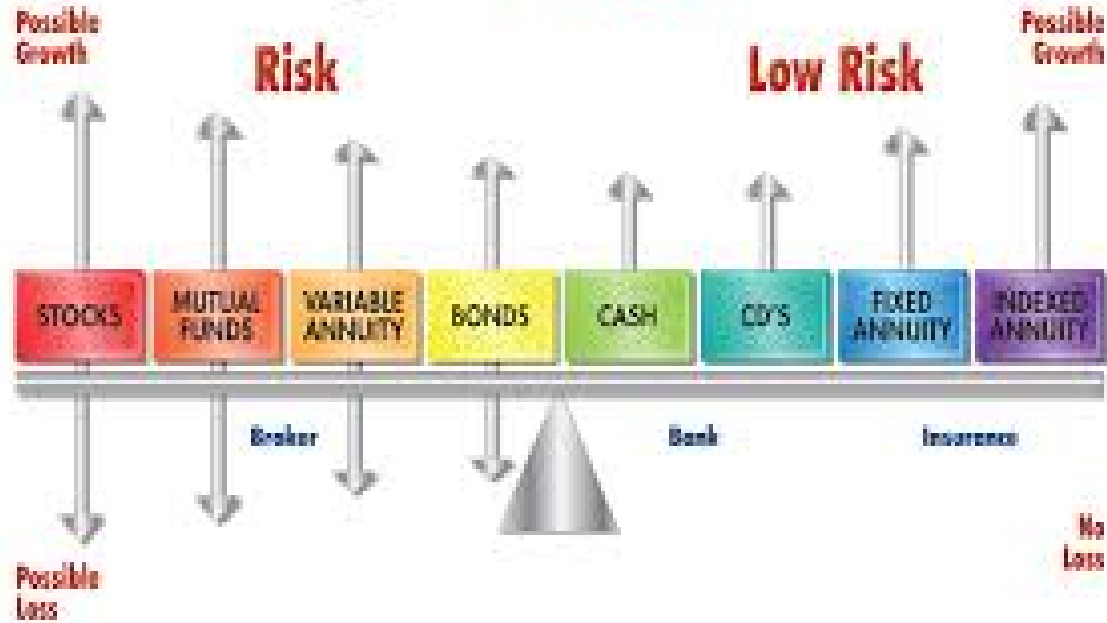
SHORT TERM VS LONG TERM

- Short Term: less risk, lower reward in general
 - Savings accounts
 - CD's or Money Market accounts

- Long Term: can be more risky, potential for higher reward, patience to wait for money
 - Stocks/bonds/mutual funds
 - Real Estate
 - IRA's: Roth and Traditional
 - 401k/403b (employer matching)
 - Precious Metals



What is your **RISK** tolerance?



- Never invest money that you can't afford to lose.
- If something seems too good to be true, it usually is.
- Look for another good opportunity.
- Always consider the worst case scenario with every investment decision. The riskier the investment you choose, the higher the odds are that a worst case scenario will occur, and you will lose a lot of money.
- Don't put all of your eggs in one basket. Make sure that you [diversify your investments](#).

HOW TO START INVESTING

- Pick an **amount** to invest
 - \$1000 minimum often for stocks
- Pick a **type** of investment
 - The type you choose usually correlates with your risk tolerance
- Pick a **company** you are comfortable working with:
 - Do your research on the company- their reviews, fees/commissions, minimums, etc

Resources:

1. [Nerd Wallet](#)
2. [Investopedia](#)

MICRO-INVESTING

- Ability to invest small amount of money (\$5) to own a fraction of a share of stock
- Great way to get started at investing if you don't have a large sum of money (or minimum required by some firms)
- [ThePennyHoarder](#)- lots more info and list of best apps to get started!

IT'S NEVER TOO LATE TO START!

Investing Tips

1

Focus on the economy of you and your personal finances

2

Understand your fees and expenses

3

Invest in funds instead of individual stocks

4

Determine your risk tolerance

5

Rebalance your portfolio

6

Educate yourself

7

Pay debt, save for a rainy day

8

Plan for the short term

9

Diversify your portfolio

10

Focus on investing long-term; Don't try to time the market

- Phone: **970-947-8322**



- Email: **finaid@coloradomtn.edu**

- Website: **<https://coloradomtn.edu/financial-aid/financial-literacy/>**