

MAKE YOUR MONEY WORK FOR YOU



So you have your automatic savings set up. Now what? Consider creating passive income to grow your money! Investing is a major part of building wealth, but it can be intimidating to start. Here's some information to keep in mind as you start your investment journey.

GETTING STARTED

Determine your risk ➡ What are you willing to risk for a higher payout? This determines the type of investment you go with.

Pick your strategy ➡ Many investors divide their portfolio between stocks and bonds.

Choose your investments ➡ Check out the most common ones below.

THE BIG THREE



Cash Investments

How it Works:

Acts like a modified bank account.

A low risk place for your money to collect interest.

Typically used as a place to house money short-term while you decide your next investment move.

Examples: Money Markets, Certificate of Deposit (CD)

Bonds

How it Works:

When you buy a bond, you loan money to a government or corporation, and they will pay you back that money at face value with periodic interest.

Can be held or traded.

Not the same as ownership of the company.

Examples: Treasury Bonds, Treasury Bills, U.S. Government Agency Bonds, Municipal Bonds, Corporate Bonds

Stock Investments

How it Works:

An investment that gives you partial ownership of a corporation.

Make money based on company performance.

Get payouts through share price increases or dividends.

Many different classifications of companies to buy from.

Examples: McDonald's Corporation (MCD), Exxon Mobil Corporation (XOM), Google Inc. (GOOGL)

There are a few major Stock Market indexes.

These are a collection of multiple stocks together. Keep an eye on the big ones to get a sense of how the markets are doing.

Examples: S&P 500, Dow Jones Industrial Average, Nasdaq Composite Index

You'll want a financial professional to help you determine the best route. Call me for a great local referral!

All information is general in nature and should not be taken as personalized investment advice or guaranteed. Readers should not rely solely on this information. Contact a financial professional for more context on investment markets.