Investments

Types of Investments

** Stocks 
*Stocks* represent ownership interest in a company. In other words, investors own part of that company and can participate in its growth. Stocks are generally categorized as large, small or mid-sized and are frequently chosen when capital appreciation is the objective.

** Bonds 
*Bonds* are debt instruments. When investors buy bonds, they’re lending money to a company or a state, local or federal government. Bond investments include corporate, municipal, treasury and federal agency bonds. They are frequently chosen for stability and balance in a portfolio.

** Cash investments 
*Cash* investments are high-quality, short-term securities that pay interest. Examples include Treasury Bills, Savings/Bank Accounts, Certificates of Deposit, and Money Market Funds. These investments offer safety of principal and liquidity.

** Mutual Funds 
*A mutual fund* is a diversified pool of stocks, bonds, or other investments that are pooled toward a common goal or objective. Mutual Funds can diversify a portfolio for you and limit the negative impact of poor performance. All earnings of a mutual fund are reinvested. Mutual funds are actively managed by professionals.

** Exchange Traded Funds 
*An exchange traded fund* (ETF) is a portfolio of stocks that tracks an index representing a specific asset class, style, sector, country or region. ETF’s combine characteristics of an open-end mutual fund and a stock. Like index mutual funds, ETF’s represent a fractional ownership in an underlying portfolio of securities.