

# Investments Compared

## Directions

Use your notes, workbook and information you learned in class to fill in the missing information.

INVESTMENT	RISK	RETURN	HOW IT WORKS	ADVANTAGE	DISADVANTAGE
Money Market		Low			Doesn't earn much money.
Single Stocks	High		A small piece of ownership in a company; as the value of the company goes up, it pays dividends (profit) to investors.	Easy to track since the investment is in one company	
Bonds	Less than stocks, more than mutual funds			U.S. Treasury Bonds are seen as patriotic; better rates than CDs	
Mutual Funds		Avg. 10–12% long term			Long-term investment; need to leave the money alone for a minimum of five years
Rental Real Estate	High	Depends on market	A piece of property you own that another person lives in and pays you the rent		
Annuities	Low	Low return if fixed; higher return if variable		Variable annuities are invested in mutual funds and grow tax-deferred; some guarantee your principal	