

Stock Market Boot Camp

Financial Quadrant – Discuss each part of the quadrant.

- Liquid investments – Checking, savings, and Money Markets. These are accounts you can easily access the cash.
- Fixed Income – CDs and Bonds are based on a fixed rate for a fixed period of time. Discuss FDIC limits for CDs and risks for Bonds
- Equity – Common Stock are companies that investors can have ownership in. Desire is to grow value over time. Discuss risk of stocks
- Inflation Hedges – types of investments that historically known for protecting against inflation. Discuss risks of why this might not always be the case.
- Then summarize a well-diversified portfolio will have all of these categories of investments.

“Inflation and Taxes Reduce Returns” – CAR 0316-05401

- Discuss impact of inflation and taxes on total return

“What are Growth & Value Stocks?” – CAR 0316-05395

- Discuss the differences of Growth vs. Value as described on the slide

“Stock and Bond Snapshots” – CAR 0316-05403

- Discuss historical stock and bond performance

Stock Criteria

- Use list to discuss what criteria can be used to analyze an individual stock

“Risk and Return by Size and Style” – CAR 0316-05395

- Discuss how to compare historical performance of types of stocks

“Emerging Markets Can Improve Developed Portfolios” – CAR 0316-05394

- Discuss how adding international is important in long term diversification

“Adding a Bond Allocation to Diversify” – CAR 0316-05403

- Discuss how adding a bond allocation to a portfolio can reduce risk within portfolio

“Putting the Retirement Puzzle Together” & “Understanding the trade-offs” – CAR 0915-04244

- Discuss retirement planning considerations and how each consideration will affect the other considerations

“Calendar Year Asset Class and Moderate Growth & Income (MGI) Allocation Returns”

- Discuss that investing in one asset class will have extreme volatility while investing in a diversified portfolio will help to reduce volatility

“IRA Choices” – CAR 0416-00516

- Discuss pros and cons about Traditional IRAs and ROTH IRAs

“What you should know about Individual Retirement Accounts (IRAs)” – 0316-02011

- Compare the long term effects of investing in retirement accounts