Foundations of Investing
WHERE AM I TODAY?

WHERE WOULD I LIKE TO BE?

CAN I GET THERE?

HOW DO I GET THERE?

HOW CAN I STAY ON TRACK?
“Why” Leads to “How”
Rule 1

Develop a Strategy
Rule 2
Stick with Quality
Rule 3

Diversify
Diversify

VARIETY

Bonds
Why Bull & Bear?
**BOUGHT** SHARE OF STOCK FOR $20

**SOLD** SHARE OF STOCK FOR $30

$10 CAPITAL APPRECIATION

COMPANY SHARES

$30

$20

Stocks
Dividends Are Important

Average Annual Return

- Stocks Not Paying Dividends: 2.6%
- Stocks Paying Dividends: 9.0%

Source: Ned Davis Research, 1/31/1972 – 8/31/19. Uses indicated annual dividends on a rolling 12-month basis. Past performance may not be an indication of future results. The S&P 500 is an unmanaged index and is not meant to depict an actual investment. Does not include transaction costs or taxes. Dividends can be increased, decreased, or eliminated at any point without notice. Further distribution prohibited without prior permission. Copyright © 2019 Ned Davis Research, Inc. All rights reserved.

Stick with Quality
Benefits of Mutual Funds

Multiple Companies
Diversification
Professional Management
Rule 4

Invest for the Long Term
Systematically Investing vs. Lump-sum Investment

**Lump Sum - $5,000**
- Share Price Chart
- Total Purchased: 250 Shares
- Average Price: $20/share

**Dollar Cost Averaging - $417/Month**
- Share Price Chart
- Total Purchased: 300 Shares
- Average Price: $17/share

Source: Edward Jones. These charts are for illustrative purposes only and are not intended to represent the performance of any security. These illustrations do not include commissions or fees. Past performance does not guarantee future results. Stock prices can also go down, which could result in a loss of principal invested.
Rule 5

Focus on What You Can Control
You can’t control:

Stock market
Tax laws
Every investment has some risk

You can control:

Saving and spending habits
Having an emergency fund
Your level of debt
Rule 1
Develop a Strategy

2
Stick with Quality

3
Diversify

4
Invest for the Long Term

5
Focus on What You Can Control

Summary
Questions & Answers
Thank You

PLEASE COMPLETE YOUR EVALUATION NOW