

Investment Options Chart

Investment Option	Description
<i>Money Market Account</i>	These work like checking accounts but pay interest (usually more than a savings account pays). You can take your money out whenever you want. But you may have a limit on how many checks you can write and the starting required balance is higher than a regular checking account. Risk: Low, Return Rate: 3-5%, Liquidity: High
<i>Treasury Bills</i>	Debt obligations of the U.S. Treasury that have maturities of one year or less; however T-bills can be sold before maturity. They are backed by the government. Risk: low, Return Rate: 3% Liquidity: High
<i>Savings Account</i>	Money you put into a bank or credit union for which they pay you a little interest. Think of a savings account as money you're lending to the bank/credit union. Typically there's no minimum balance and since the government guarantees the safety of these accounts, risk is low. Risk: low, Return Rate: 1-2%, Liquidity: High
<i>Certificate of Deposit (CD)</i>	With this investment, you are lending money to a bank/credit union for a specified amount of time, such as 6 months or 2 years. The financial institution pays you a higher interest rate the longer the term, and there's a penalty if you want to take your money back early. Risk: Low Return Rate: 1-2%, Liquidity: High to Low.
<i>Mutual Fund</i>	An investment company that pools money from several investors and uses the money to buy a particular type of investment, such as stocks and bonds. Funds are professionally managed and there are many different kinds of funds. Risk: low to moderate, Return Rate: low to mod., Liquidity: High
<i>Utility Stock</i>	Stock of a power company that owns or operates facilities used for the generation, transmission, or distribution of electric energy, which is regulated at state and federal levels. Risk: low to mod., Return Rate: mod., Liquidity: high
<i>Collectibles</i>	Unique items that are relatively rare in number, such as works of art or antique cars. Risk: high. Return Rate: mod-high Liquidity: low
<i>Real Estate Investment</i>	Investment in a piece of property, such as a land or a building. Risk: mod.-high Return Rate: 9-12% Liquidity: low
<i>Stocks</i>	Investments that represent ownership in a company. Stocks in different types of companies (new firms versus start-ups, big versus small companies) carry different levels of risk & return. Risk: mod.-high Return Rate: mod.-high Liquidity: mod.
<i>Precious Metals</i>	Gold, silver, platinum, and palladium.. Risk: very high, Return Rate: very high, Liquidity: high