QuickCourse

Asset Allocation

Asset allocation is the starting point of the investment process. It is the process of divvying-up (allocating) your money among some - or all - of the asset classes of stocks, bonds, cash and other assets classes such as real estate, natural resources and precious metals. This course provides example allocations and general guidelines for allocating your money based upon your goal time horizon, the purpose of your account and its investment objective.

Investment Examples Categorized by Goal Time Horizon

Based on the time horizon of your investment-related goal, certain types of investments may generally be considered more appropriate than others. For example, if you have shorter-term, "must have money available" goals, then you might consider owning investments that are less likely to lose the money you'll need soon. If you have longer-term goals that require growth in the value of your money, you might consider owning investments that are more likely to make you money you'll need later. This course provides investment examples you can use as general guidelines.

Calculating Returns

If you're a 'do-it-yourselfer' or if you're just curious, this resource provides a quick-and-easy method for calculating the return on your account. With simple addition, subtraction, division and multiplication, returns can be calculated using information right from your brokerage account statement(s).

Benchmarking Returns

If you're a 'do-it-yourselfer' or if you're just curious, this resource provides you with an easy way to compare the return on your account against a single benchmark, or a blend of benchmarks, that accurately represent how the investments in your account are allocated. This course shows you generally-accepted ways to compare the return of an investment, or a whole account, against a benchmark.

Calculating Total Costs

In general, the "cost of doing business" with your financial advisor falls into three general categories: commissions/ advisory fees, front-end sales charges on mutual funds and other packaged investments, and the internal expenses you pay on mutual funds/ exchange traded funds ETF).. These costs can add up, especially over multiple-year periods. This course shows you how to calculate the total cost of doing business with your financial advisor.