

For women who are thinking of investing

The right way vs. the wrong way to invest in stocks and bonds

When you decide that you want to invest, how will you go about it? There are two approaches. Which woman's thinking matches yours?

First woman: "I'll invest all the money I have without worrying about a cash reserve. Why waste money with prices rising?"

Second woman: "I would invest only money left over after I had provided for living expenses and put away something for retirement."

First woman: "I'd pick up a hot stock from the grip, or the broker did a stock that's supposed to be going up fast."

Second woman: "I'd get the facts about any company whose stock I was considering. How'd it have a good profit record? How are its prospects?"

First woman: "I'd buy only stocks that look like they'll make money in a hurry. What's the real story?"

Second woman: "Depending on my goal, I would consider different kinds of stocks. Perhaps I'd want to know about stocks that might have a chance to grow in value over the years. There are other stocks which could be a better choice for income from dividends. Or I might want to consider bonds which usually offer greater safety of principal. And I'd like to know the prices of stocks and bonds go down as well as up—and they may not continue to go dividends or interest."

First woman: "I guess my broker would be glad to take my order. The important thing is to get somebody who knows how to make a lot of money fast."

Second woman: "I'd choose a broker carefully. I'd start with a list from a Member Firm of the New York Stock Exchange. The Registered Representatives there—though they are not individuals—have made disclosure statements for knowledge of the securities business."

There is a right way and a wrong way to invest. One big step on the right road, we believe, is to find a Member Firm broker. Look in the Yellow Pages of the telephone directory. Member Firms are listed in the Stock Broker section under "New York Stock Exchange."

When you do, talk about the amount you

would like to invest, the goals you have set. If you like, ask about the Monthly Investment Plan, which lets you invest with as little as \$10 every three months. Start right. If you are planning to invest, with the help of a Member Firm broker.

More great ideas on investment business.

Members New York Stock Exchange

Member Firms are listed in the Yellow Pages of the telephone directory under "New York Stock Exchange."

1962

YEAR	\$10,000*	% CHANGE	GAIN	LOSS	Compound with 5% interest \$10,000
1950	\$11,089	+10.89	\$1,089		\$10,500
1951	12,734	+14.84	1,645		11,025
1952	14,166	+11.24	1,432		11,576
1953	14,150	-.11		\$ 16	12,155
1954	20,233	+42.99	6,083		12,763
1955	23,805	+17.65	3,572		13,401
1956	25,604	+7.56	1,799		14,071
1957	23,023	-10.08		2,581	14,775
1958	32,088	+39.37	9,065		15,514
1959	36,198	+12.81	4,110		16,290
1960	37,403	+3.33	1,205		17,105
1961	46,911	+25.42	9,508		17,960
1962	41,484	-11.57		5,427	18,858
1963	48,519	+16.96	7,035		19,801
1964	54,866	+13.08	6,347		20,791
1965	66,256	+20.76	11,390		21,831
1966	62,785	-5.24		3,471	22,923
1967	84,294	+34.26	21,509		24,069
1968	99,138	+17.61	14,844		25,272
1969	85,100	-14.16		14,038	26,536
1970	78,616	-7.62		6,484	27,867
1971	94,008	+19.58	15,392		29,256

*Figures in this table are based on annual performance averages of funds listed in the Management Results section of Investment Company Institute's Investment Company Yearbook for the categories of bond and preferred stock funds, top five exchange traded and international funds. Annual average performance was derived by adding each fund's performance and dividing by the number of funds. New funds were added as they appeared in the Management Results section over time. In 1950, 1960 and 1971, for example, the number of funds was 89, 88 and 87, respectively. International stocks include mutual fund investments of \$1.50 following declaration of sales charge of 4% percent and subsequent redemptions of dividends and capital gains.

Mutual Funds: The Record.

\$10,000 to \$94,008.

The table illustrates how an investment of \$10,000 in 1950 would have fared, year by year, measured by the average performance of mutual funds. It shows that by the end of 1971 it would have grown to \$94,008 for a net gain of \$84,008.

The same \$10,000 at 5% interest compounded annually would have produced a guaranteed net gain of \$19,256 over the same period.

The table also indicates the extent to which mutual fund investments can fluctuate with conditions in the investment markets. It shows how, in the "down" years, such as in 1969 and 1970, the short term investor's shares could have lost value. But over the long term, the number of "up" years exceeded "down" years by nearly three to one, and gains far outweighed losses. Of course, the record of any individual fund varies with its investment objectives and performance.

The figures demonstrate the advantages of long-term thinking and long-term investing for those now planning for the future. While past performance is no guarantee of the future, the record of the fund industry over the last two decades should be an important factor in the investment decision of any potential investor.

Mutual funds are for people with faith in the future.

For a free copy of "Why 100,000 Families Own Mutual Funds," write Investment Company Institute, 1775 K Street N.W., Washington, D.C. 20006.

1972

Place your bets

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	