Investment Basics

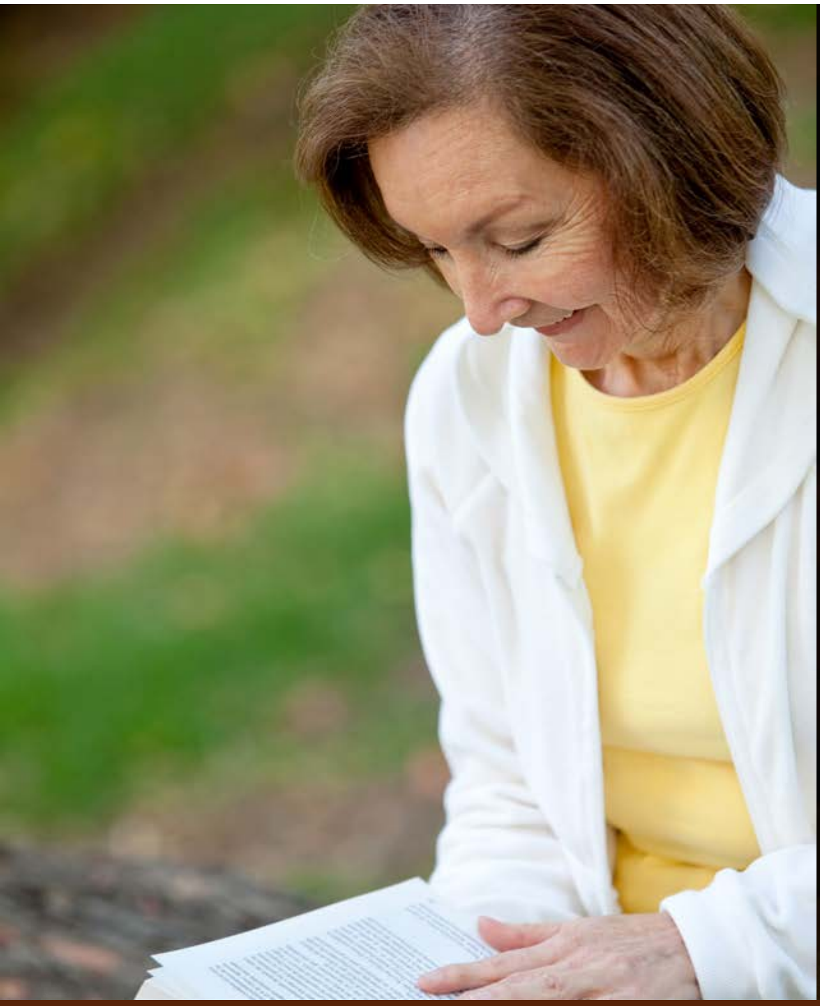
Investment Fundamentals - What is Investing?

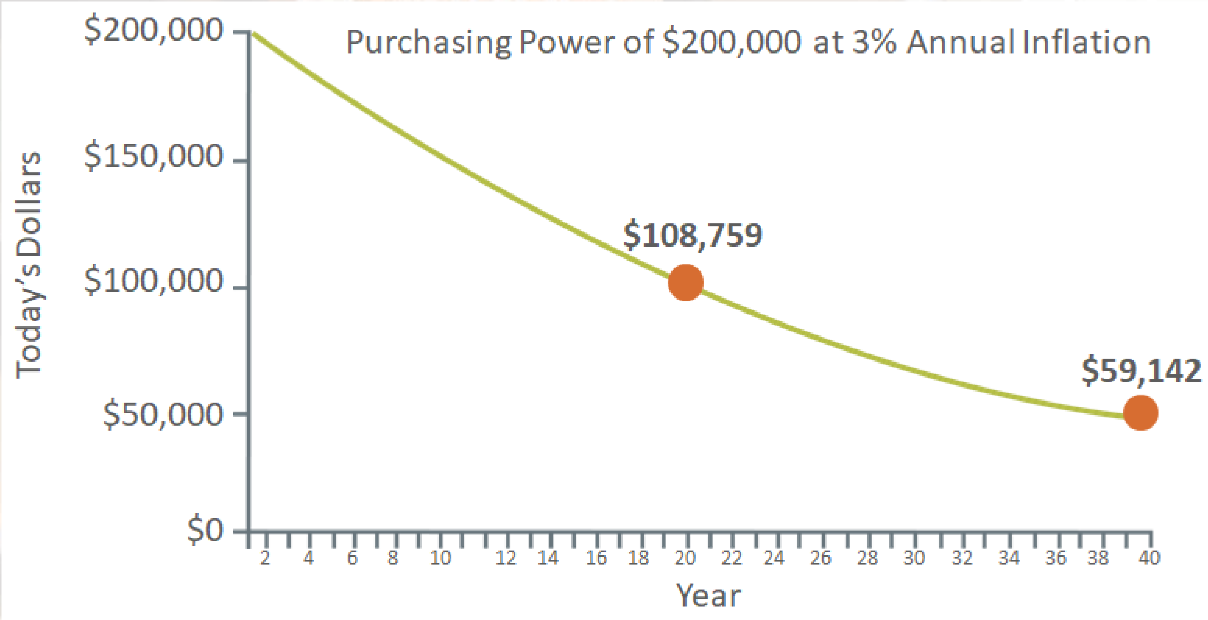
Some of you may associate investing with speculating--gambling on the volatile or uncertain value of assets in the hope of obtaining potentially high returns--for example, trying to time the market in order to make a quick profit.

Others may see investing as more of a long-term, methodical effort to save for the future.

In fact, investing is a little of both. All investing involves a certain amount of risk, including the potential loss of principal, and there can be no ironclad guarantee that any investing strategy will be successful. Investing also involves the potential growth of your money over time.

Consider investing a carefully planned and prepared approach to managing and accumulating money. Investment planning is about discipline and patience. But it doesn't have to be difficult.

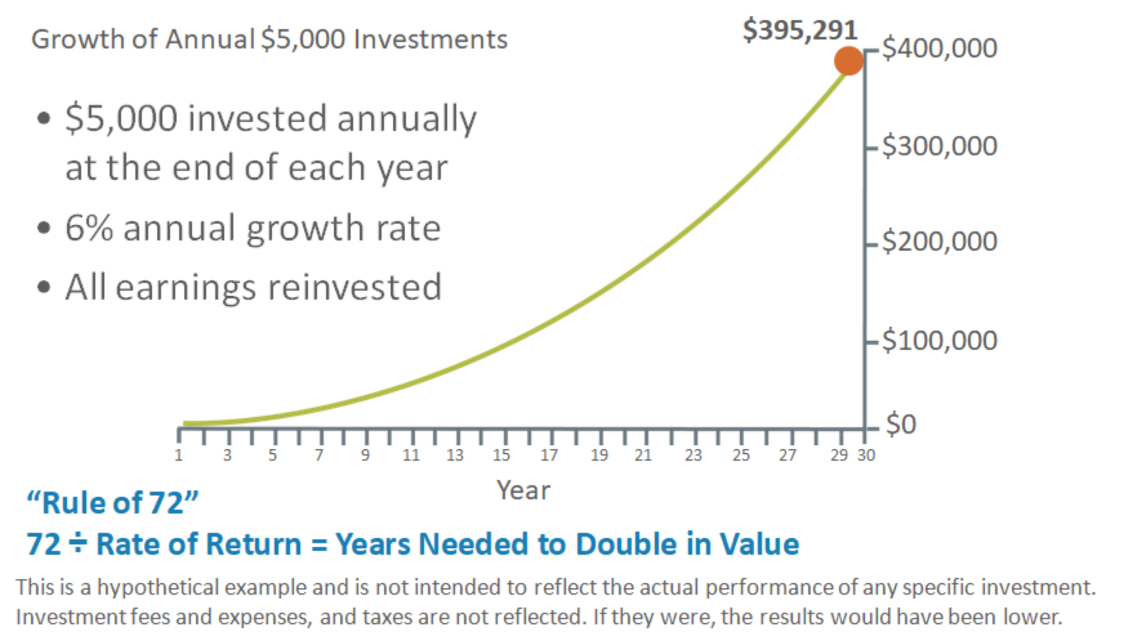




An important concept to understand when it comes to investing is the impact of inflation. Inflation has the effect of reducing the purchasing power of your dollars over time. According to the U.S. Department of Labor, the average annual rate of inflation since 1914 has been approximately 3%. At 3% annual inflation, something that costs $100 today would cost $181 in 20 years.

Let's say you have $200,000 stashed in your mattress. Assuming a 3% annual inflation rate, that $200,000 will buy you just over $108,000 worth of goods and services in 20 years, and less than $60,000 in purchasing power in 40 years.

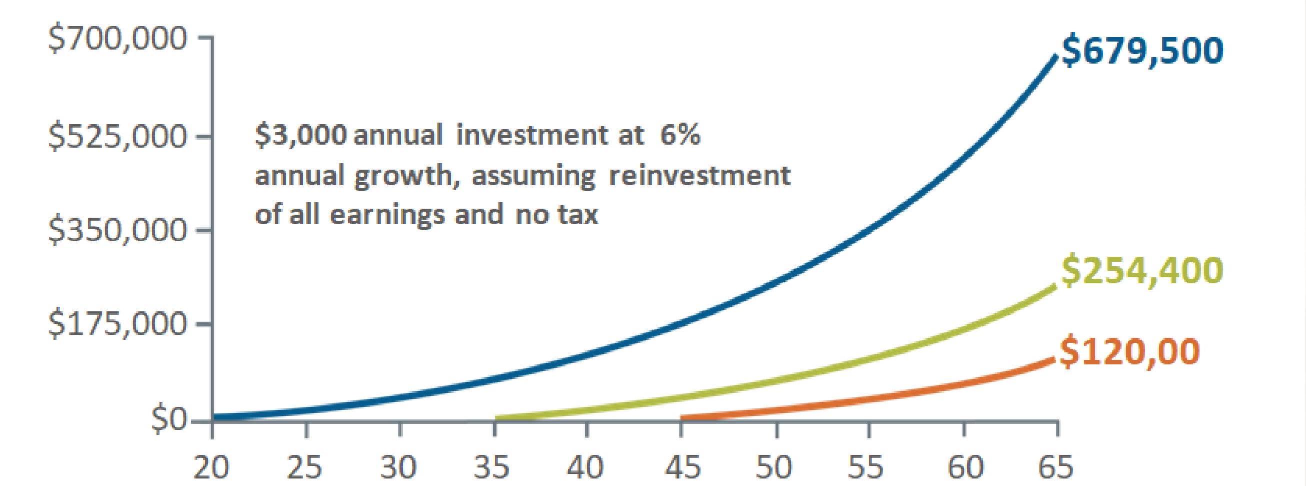
This means that if your investments aren't keeping pace with inflation, you're actually losing purchasing power each year. It also means that the real rate of return on your investments may actually be less than you think--something you'll need to take into account.



Inflation has the general effect of reducing the real value of your investments over time. Compounding has exactly the opposite effect. Anyone who has a savings account understands the basics of compounding: the funds in your savings account earn interest and that interest is added to your account balance. The next time interest is calculated, it's based on the increased value of your account. In effect, you earn interest on your interest. Many people, however, don't fully appreciate the impact that compounded earnings can have, especially over a long period of time.

Let's say you invest $5,000 a year for 30 years. After 30 years, you will have invested a total of $150,000. Yet, assuming your funds grow at exactly 6% each year, because of compounding, after 30 years you will have over $395,000.

"The rule of 72" is a quick way to help you estimate how long it will take for an investment to double in value through compounding. Divide the number 72 by the rate at which the investment will increase in value. The result is the number of years that it will take the investment to double. For example, if the expected annual return on an investment is 3%, it should take about 24 years for the investment to double in value. You can also use the rule of 72 to estimate the rate of interest you'd need to double your investment in a given number of years--just divide 72 by the number of years. For example, in order for an investment to double in value in 4 years, you would need an annual return of 18%.



This is a hypothetical example and is not intended to reflect the actual performance of any investment. Investment fees and expenses, and taxes are not reflected. If they were, the results would have been lower.

The sooner you start investing, the more time your investments have for potential growth. Waiting too long can make it very difficult to catch up.

For example, invest $3,000 at the end of each year starting when you're 20 years old and you will have accumulated almost $680,000 (assuming a 6% annual growth rate and no tax) by age 66. If you wait until age 35 and start investing $3,000 annually, you'll accumulate only about $254,000. And, if you wait until age 45 to start investing, you'll accumulate only about $120,000 by the time you're 66 years old.

It's never too late, so don't be discouraged. I'm simply trying to illustrate the importance of acting sooner rather than later.

Investment Fundamentals - Identifying Goals and Time Horizons

The first step in any investment plan is to identify your goals. What are you investing for?

Many of us invest to accumulate funds for retirement, or for a child's education. Others invest for shorter-term goals—perhaps a down payment on a home, or a new car. Still others invest to build a fund that they can access for unanticipated financial needs--illness, accident, or job loss for example. Of course, you may have all of these things as investment goals, or something that I haven't even mentioned. If you do have multiple goals, think about how you might prioritize them.

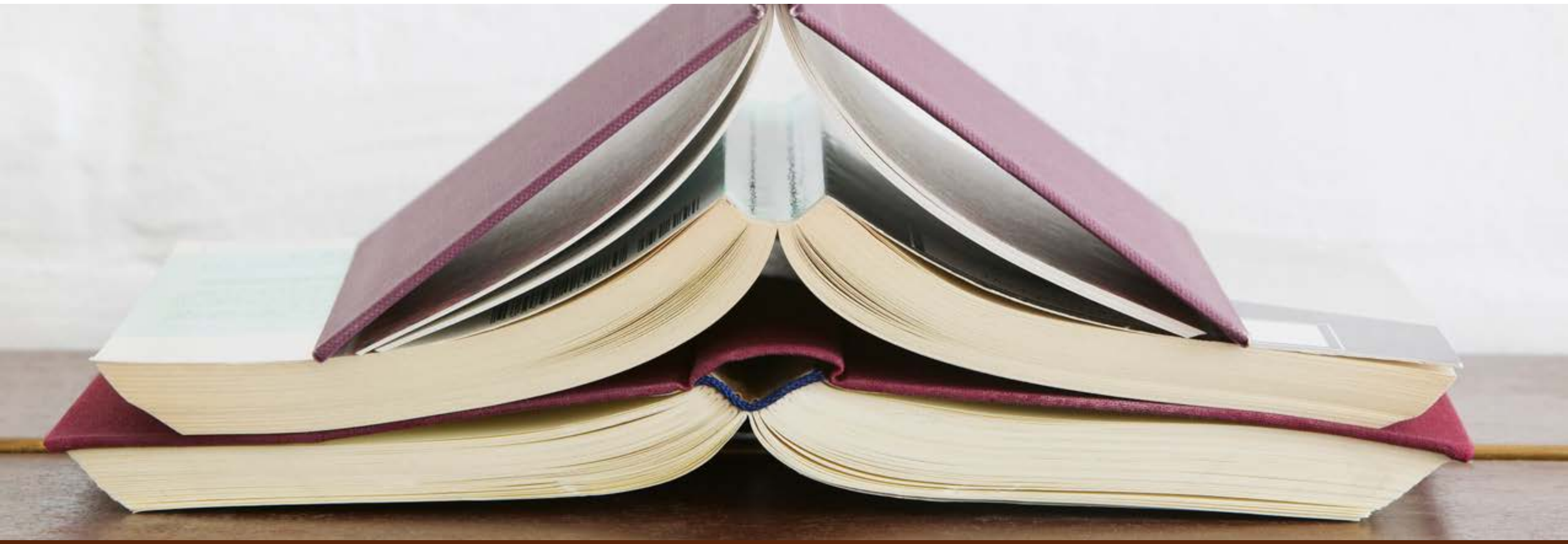
Once you've identified and prioritized your investment goals, consider the time horizon associated with each goal. Generally speaking, all else being equal, the longer your time horizon the more aggressively you may be willing to invest. That is, investments that carry more risk (because they offer a greater potential for return) will tend to be more appropriate for those with long-term investment horizons than those with short-term investment horizons. Why? The longer the investment horizon, the more time you'll have to recover from any investment losses.

The world of investing is very subjective--the investment plan that's right for you depends largely upon the level of comfort that you have when it comes to risk. You can't completely avoid risk when it comes to investing, but it is possible for you to manage it.

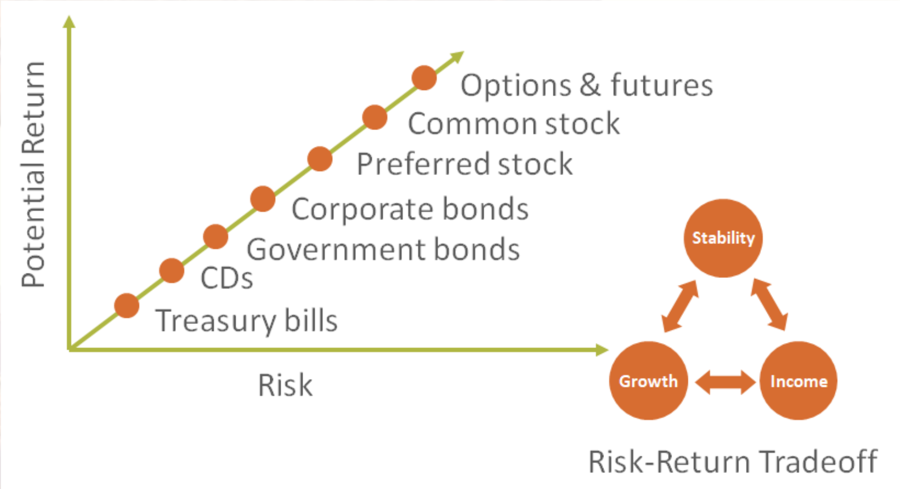
There are two aspects of risk tolerance to consider: (1) the capacity of your investment plan itself to absorb losses, and (2) how comfortable you are personally with risk. The first aspect can be quantified--the more flexibility your investment plan has when it comes to potential loss, the more risk your plan can tolerate. For example, as we've discussed, a long investment time horizon may allow you to take on more risk than a short time horizon.

The second aspect, how comfortable you are personally with risk, is more of an emotional measure, and depends on many factors, including your objectives, life stage, personality, and investment experience. Some investors are comfortable with a high degree of risk, while others can tolerate only minimal risk. Your individual risk tolerance is an important factor in deciding which individual investments are appropriate for you, as well as how your investment dollars should be allocated among different investment classes.

Investors are typically grouped into three categories for purposes of discussing risk tolerance: aggressive (those who have a high degree of risk tolerance); moderate (those willing to accept some degree of risk), and conservative (those who are risk averse).



Investment Fundamentals - Relationship Between Risk & Return

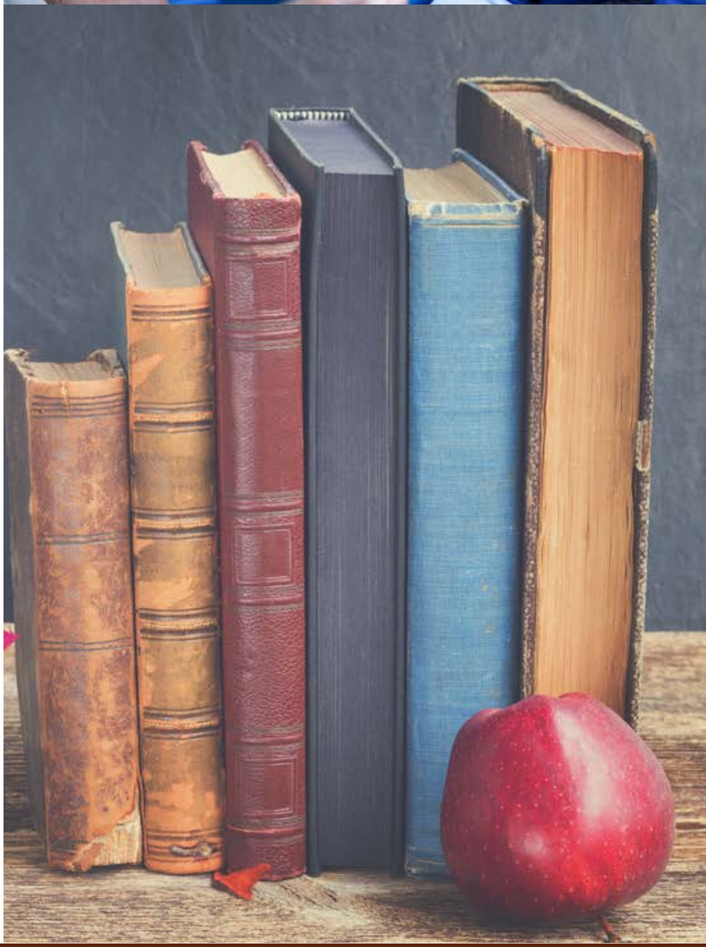


When it comes to investing, there's a direct relationship between risk and return. That is, in general, as the potential for return increases, so does the level of risk. Or stated another way, the less risk an investment has, the lower the potential for return. So, for example, putting your money into a bank CD may have little risk, but it also offers less potential for return than purchasing common stock.

This is true for investment portfolios as well as for individual investments. The more aggressive you are as an investor, the more risk you may be willing to take--more risk means a greater potential return, but also a greater chance of loss. Conversely, the more conservative you are as an investor, the less risk you're generally comfortable with--less risk means lower potential returns, but less likelihood of loss as well. This is known as the risk-return tradeoff.

As much as we would like it, we can't have it all. There is a relationship between growth, income, and the stability of our investments, and when we move closer to one, we automatically move away from another. This is a dilemma that all investors face. The key is to try to maximize returns at a level of risk that you're comfortable with.

Investment Options - Types of Investments



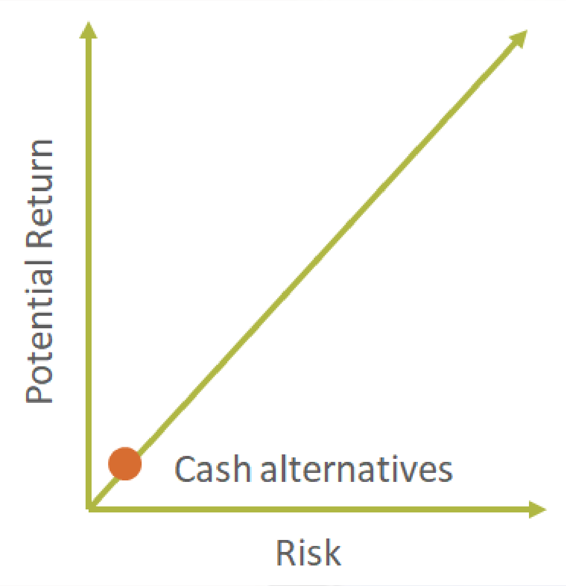
There are several general categories of investments to choose from, and countless specific investment options within each category. We're going to discuss:

- Cash alternatives
- Bonds
- Stocks
- Other investments
- Funds that pool your money with that of other investors, such as mutual funds and exchange-traded funds.

Before we start talking about investment options, however, let's take a moment to clear up a common misconception. Some of you may think of your 401(k) plan at work as an investment. It's not. A 401(k) plan is a tax-advantaged vehicle that holds individual investments. The same goes for IRAs, 529 plans, and Coverdell ESAs. Think of these tax-advantaged vehicles as "buckets" that can be filled with individual investments. Investments that are held in these vehicles get different tax treatment than investments that are held outside these vehicles.

We're not going to discuss the tax treatment of investments at all today, however. It's an important subject, especially since the tax treatment of long-term capital gain and qualifying dividends is typically more favorable than that for ordinary income. Since you'll need to understand how different investment options are taxed to make good decisions, you should discuss this issue with a financial or tax professional.

Investment Options - Cash Alternatives

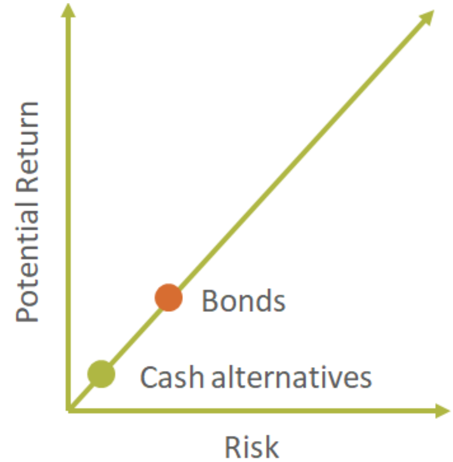


Cash alternatives are relatively low-risk, short-term, and generally fairly liquid--in other words, you can convert them to cash quickly if needed. You might use cash alternatives:

- To provide you with relative stability
- To maintain a ready source of cash for emergencies or other purposes
- To serve as a temporary parking place for assets until you decide where to put your money longer term

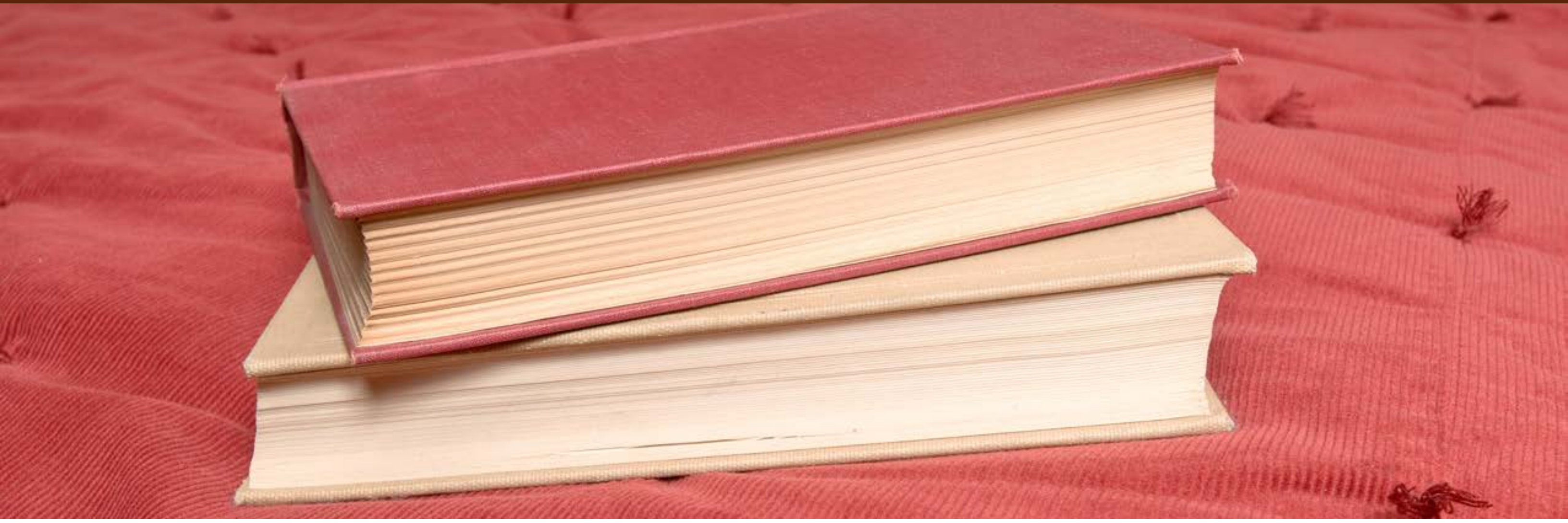
A few examples of some cash alternatives include certificates of deposit (CDs), money market deposit accounts, money market mutual funds, and U.S. Treasury bills--also known as T-bills. Each option offers different rates of return and varying levels of liquidity. Also, some cash alternatives, such as bank CDs and deposit accounts, may offer FDIC insurance; others do not. Be sure you understand the type of protection available with each one.

The advantages of investing in cash alternatives are evident. You receive reliable, predictable earnings (i.e., interest), and an easily tapped source of funds, with little risk to principal. The big tradeoff here, though, is that the return you'll receive on these investments is relatively low, compared to the potential return offered by other investment options. In fact, the possibility exists that the return on these investments will not be sufficient to keep up with inflation. If that's the case, you'll actually lose purchasing power over time.



Bonds are essentially loans, which is why they are called "debt instruments." You, the investor, lend money to a government or a corporation. The interest rate, or coupon rate--which can be fixed or floating--is set in advance, and interest payments are generally paid semiannually. Bonds are issued in denominations as low as $1,000. In addition to a set interest rate, the maturity date is fixed, ranging from 1 to 30 years. However, bonds don't need to be held until they mature--once issued, they can be traded among investors like any other type of security.

Because you can buy or sell bonds in the open market, bonds fluctuate in price, selling at, above, or below their face value. If interest rates rise, new bonds and investment options are offered with higher interest rates, and existing bonds with lower fixed interest rates become less appealing. So, when interest rates rise, existing bonds generally decrease in value. In contrast, when interest rates fall, existing bonds generally increase in value. Generally, the longer a bond's duration to maturity, the more volatile its price swings.



The most common types of bonds include U.S. government securities, agency bonds, municipal bonds, and corporate bonds.

U.S. government securities are backed by the full faith and credit of the U.S. government, and therefore carry minimal risk. We've already talked about U.S. Treasury bills. Other Treasury securities include Treasury notes and Treasury bonds, which both pay interest semiannually.

You can also invest in bonds that are issued by agencies owned or sponsored by the U.S. government, which may or may not have backing from the U.S. government, depending on the agency.

Municipal bonds are issued by local governments of states, cities, or towns. Specific authorities, like a state transportation authority, may also issue bonds.

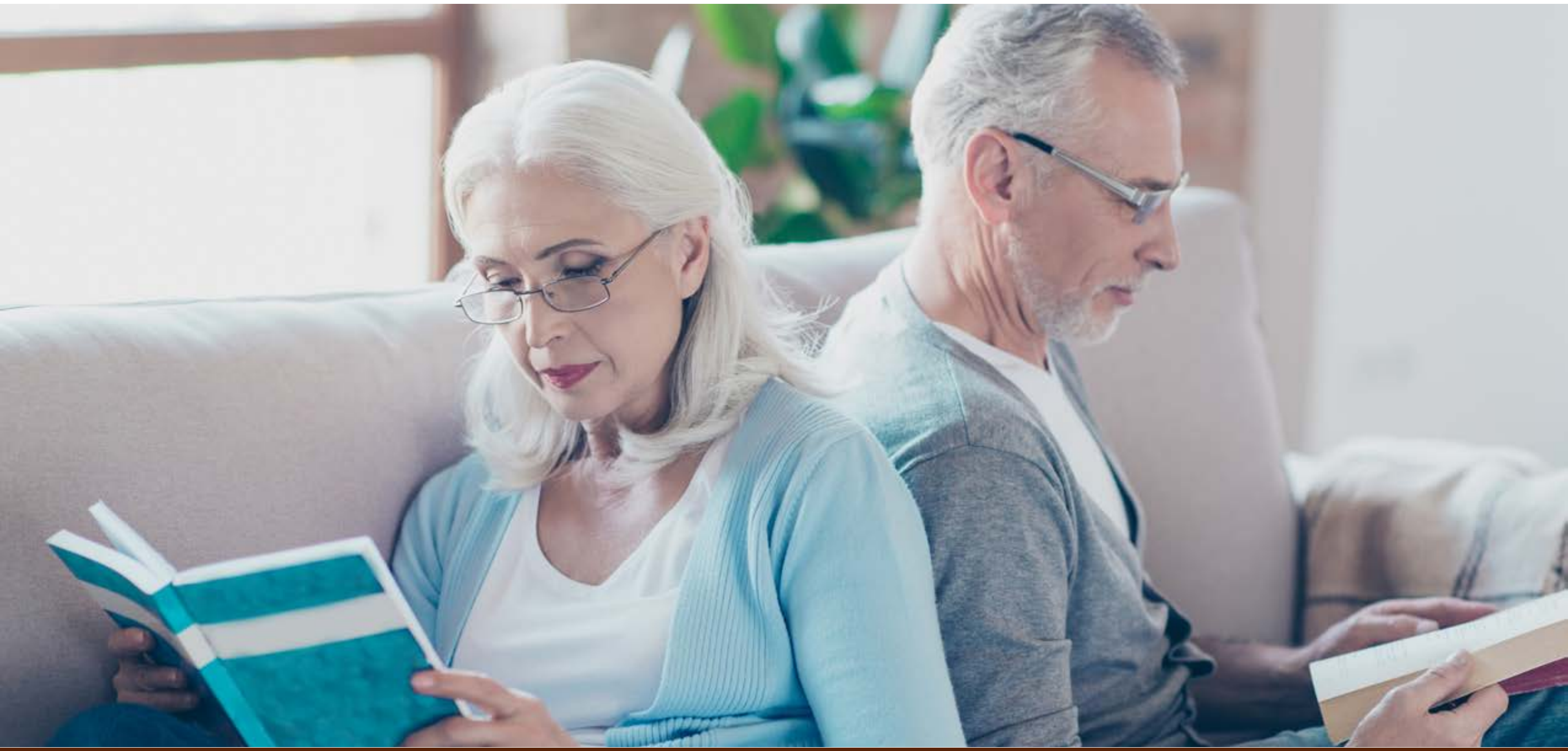
Corporate bonds are issued by private companies. The volatility of these bonds depends upon the companies that issue them, and can range from very stable to highly volatile (so-called high yield, or "junk" bonds). Some corporate bonds are convertible and can be exchanged for shares of the company's stock. You can also purchase zero-coupon bonds that are issued at a discount, below face value. No interest is paid, but at maturity you receive the face value of the bond. For example, you might pay $600 for a 5-year, $1,000 zero-coupon bond. At the end of 5 years, you would receive $1,000. So, what are the pros and cons of bonds as an investment choice? Let's take a look.

Bonds aren't as safe as cash alternatives, nor are they as glamorous as stocks or commodities, but they're an important component of most investment portfolios.

Bonds can provide a steady and predictable stream of income through interest payments for as long as you hold them. In addition, the income from interest payments is typically higher than for cash alternatives.

Bonds are generally considered relatively lower-risk investments. Because bonds are legal debt obligations, corporations must pay interest to bondholders before paying dividends to shareholders. Further, in the event a corporation declares bankruptcy or dissolves, it is obligated to pay bondholders before stockholders. And, of course, securities issued by the Treasury are backed by the full faith and credit of the United States. However, all bonds carry some risk, and some bonds (for example, high-yield bonds) carry a great deal of risk.

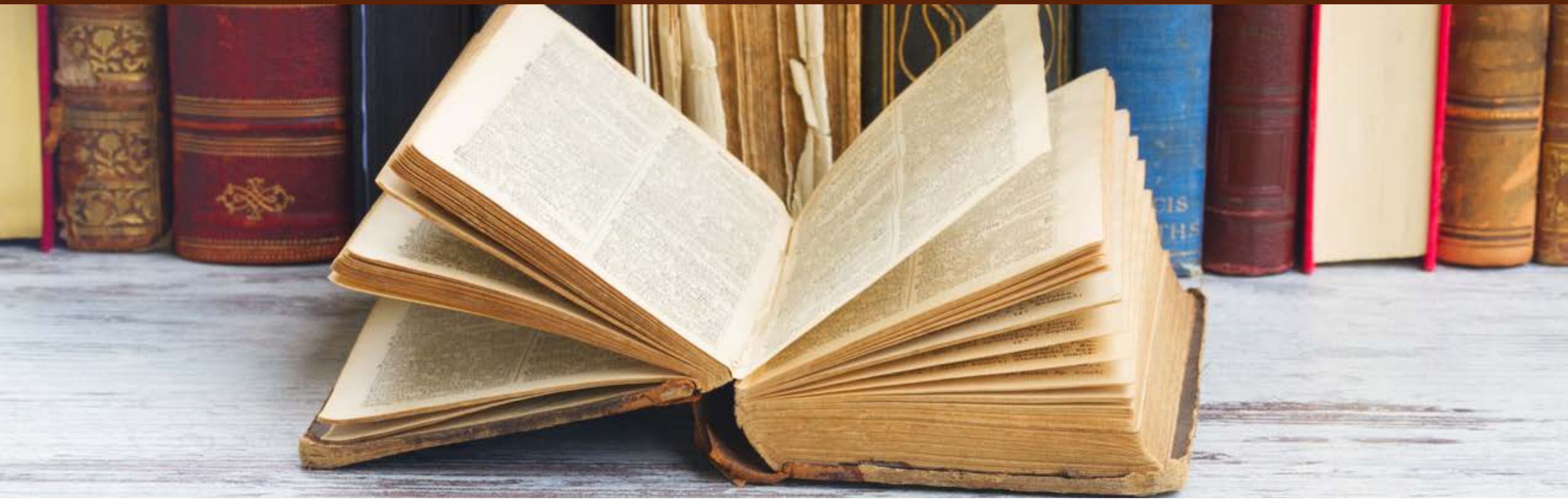
Bonds may also help you to diversify your investment holdings. Bond values tend to move in the opposite direction of the stock market (i.e., they have a negative or low correlation). By holding both bonds and stocks in a portfolio, you might be able to offset losses in one asset category with gains in another asset category.



With a bond, you can lose money if the issuer fails to make interest payments or is unable to repay principal. Bonds can also lose market value if the creditworthiness of the issuer declines (for example, if the issuer begins having financial difficulties or if its bonds are downgraded by ratings services). This type of risk is associated more with corporate bonds and less with Treasury securities, which are backed by the full faith and credit of the United States.

Many bonds are issued with a fixed interest rate. As general interest rates fluctuate, so too will the value of fixed rate bonds. If interest rates drop, new bonds and investment options issued will offer lower interest rates, and the market value of existing fixed rate bonds is likely to increase. Conversely, an increase in interest rates will generally cause a drop in the value of existing bonds. Note, however, that not all bonds have fixed interest rates--bonds that have floating interest rates will tend to fluctuate less in value when interest rates change than bonds with fixed interest rates.

Finally, because bonds have relatively lower risk than other investments (such as stocks), they also tend to offer relatively lower returns.

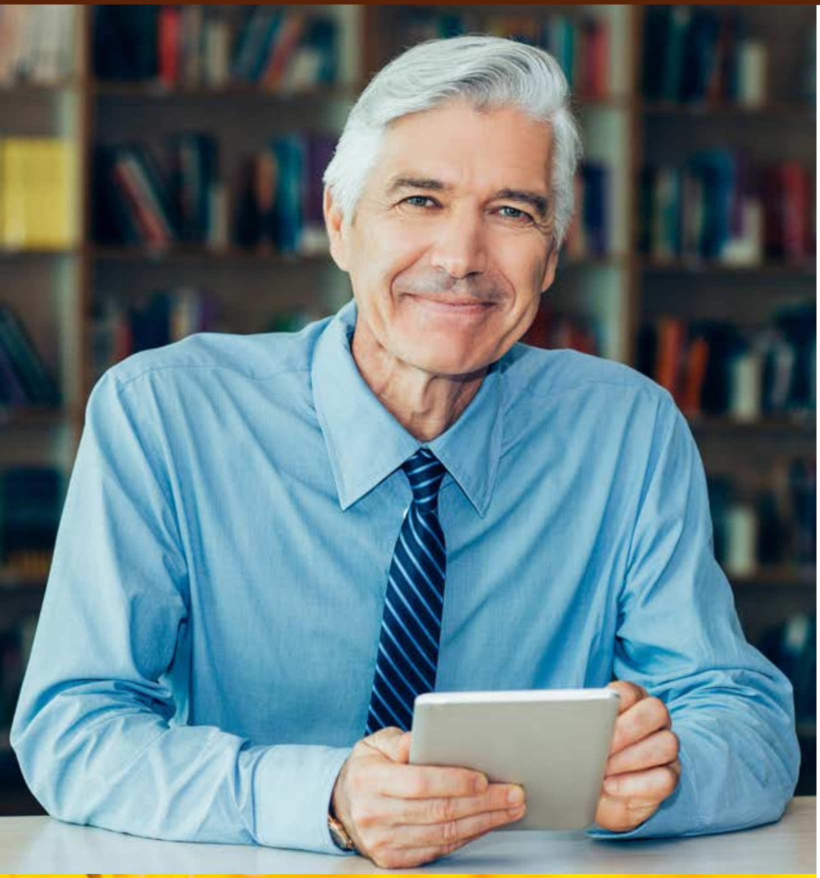


When you buy company stock, you're actually purchasing a share of ownership in that business. The greater the number of shares you own, the higher the percentage of ownership you have in that company. Investors who purchase stock are known as the company's stockholders or shareholders.

Your percentage of ownership in a company also represents your share of the risks taken and profits generated by the company. If the company does well, your share of the total earnings will be proportionate to how much of the company's stock you own. The flip side, of course, is that your share of any loss will be similarly proportionate to your percentage of ownership, though you are not personally financially responsible for any share of the liabilities of the company in which you hold an equity interest.

Beyond that, depending on the company and the types of shares you have, stock ownership may carry other benefits. Specifically, you may be entitled to dividend payments (which you can generally receive either in cash or additional shares), capital gains payouts, and other corporate privileges. For example, common stockholders have the right to vote for candidates for the board of directors and on other important issues.

If you purchase stock, you can make money in one of two ways. First, corporate earnings may be distributed in the form of dividends, usually paid quarterly. Secondly, you can sell your shares. If the value of the company's stock has increased since you purchased it, you will make a profit. Of course, if the value of the stock has declined, you'll lose money.



Generally, corporations may issue two types of stock: common stock and preferred stock. Common stockholders hold many rights, including the right to vote. However, common stockholders are last in line to claim the earnings and assets of the company. They receive dividends at the discretion of the board of directors and only after all other claims on profits have been satisfied. Preferred stockholders are given priority over holders of common stock when it comes to dividends and assets. However, preferred stockholders do not receive all of the privileges of ownership given to common stockholders, including the right to vote. Preferred stockholders typically receive a fixed dividend payment, usually on a quarterly basis. For preferred stockholders, there is less return potential than for common stockholders; there is also less risk. The common stockholders benefit more when the company does well, but they may lose more if the company does poorly.

Stock is commonly categorized by the market value of the company that issues the stock. For example, large-cap stocks describe shares issued by the largest corporations. Other general categories include small cap, midcap, and microcap.

Stock is also commonly classified according to the characteristics of the company and/or the expectations of investors. For example:

- Growth stocks are usually characterized by earnings that are increasing at a faster rate than their industry average or the overall market. These are often in new or fast-growing industries and frequently have the potential to give shareholders returns greater than those offered by the stocks of companies in older, more established industries. Growth stocks are among the most volatile classes of stock, however, and have significant risk for losses.
- Value stocks are typically characterized by selling at a low multiple of a company's sales, earnings, or book value.
- Income stocks generally offer higher dividend yields than market averages and typically fall into the utility and financial sectors, as well as other stable and well-established industries.
- Blue-chip stocks are the stocks of large, well-known companies with good reputations and strong records of profit growth. They also generally pay dividends.

Also worth mentioning are American Depositary Receipts (ADRs), which are negotiable instruments created to represent shares of stock (and sometimes bonds) in non-U.S. companies.

The advantages and disadvantages of investing in stocks depend largely upon the stock or type of stocks that you choose.

In general, though, stocks offer a greater potential for returns than do bonds or cash alternatives. Historically, this has been particularly true for long-term periods. With stock, you actually own a share of the company, and therefore have ownership rights that may include voting rights. You can invest in stock that has a history of paying regular dividends; you can also invest in stock that has the potential to appreciate significantly in value. And stock is easy to buy and sell.

Of course, if the company you invest in performs poorly, it may not pay dividends, even if it had regularly paid dividends in the past. More importantly, though, poor performance may result in your shares losing value. In fact, your shares can lose value simply because they're subject to the general volatility of the stock market, which has experienced sharp declines in the past. This volatility means that your risk of losing principal is greater with stock than it is with bonds and cash alternatives. It also means that stock may not be appropriate for short-term investment timelines, unless you have a high tolerance for risk.

Cash alternatives, bonds, and stock are the three major investment categories, but there are many other options, including:

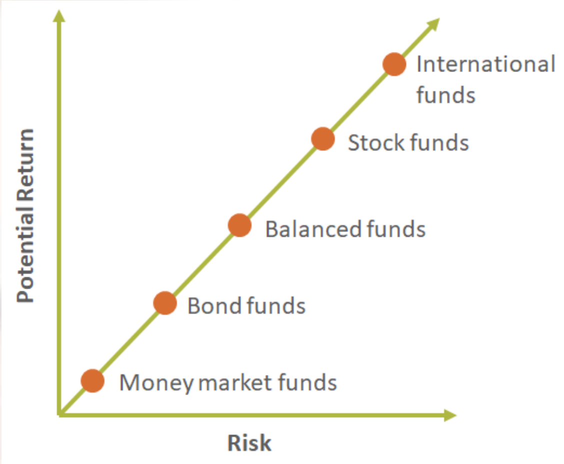
- Real estate, both commercial and residential, and real estate investment trusts (REITs)
- Stock options
- Futures and commodities--which amount to speculating on the future value of something (gold, sugar, wheat, for example)
- Collectibles, such as antiques, fine art, or anything that may appreciate in value over the years

Because this is an investment basics discussion, we're not going to spend any time on these other investments, but I'll be happy to discuss them with you later if you like.

Mutual funds represent another way to invest in stocks, bonds, or cash alternatives. The principle behind a mutual fund is quite simple. Your money is pooled, along with the money of other investors, into a fund, which then invests in certain securities according to a stated investment strategy. The fund is managed by a fund manager who reports to a board of directors.

By investing in the fund, you own a piece of the total portfolio, which could include anywhere from a few dozen to hundreds of securities. This provides you with both a convenient way to obtain professional money management and instant diversification that would be more difficult and expensive to achieve on your own.

Every mutual fund publishes a prospectus. Before investing in a mutual fund, get a copy and carefully review the information it contains, such as the fund's investment objective, risks, fees, and expenses. Carefully consider those factors as well as others before investing.



We've discussed the three major investment categories: cash alternatives, bonds, and stocks. Many mutual funds limit themselves to just one of these categories. Commonly named and classified according to their investment style or objective, funds that invest solely in cash alternatives are generally called money market mutual funds. Funds that invest solely in bonds are called bond funds, and--not surprisingly-- funds that invest in stocks are called stock funds. Stock mutual funds can also be classified based on the size of the companies in which the fund invests--large cap, mid cap, and small cap.

Of course, there are many other types of mutual funds. For example, funds that invest in both bonds and stock are often called balanced funds. In fact, there are mutual funds that fit all along the risk-return spectrum. International funds, which seek investment opportunities outside the United States, are one example.

An actively managed fund is one where the fund manager uses his or her knowledge and research to actively buy and sell securities in an attempt to beat a benchmark. A passively managed account, called an index fund, typically buys and holds most or all of the securities represented in a specific index (for example, the S&P 500 index). The objective of an index fund is to obtain the same rate of return as the index it mimics.

Although the name of a mutual fund sometimes offers insight into its investment style and objective, don't rely on the name alone to determine whether a particular fund is what you want. You should read a fund's prospectus before you consider investing.

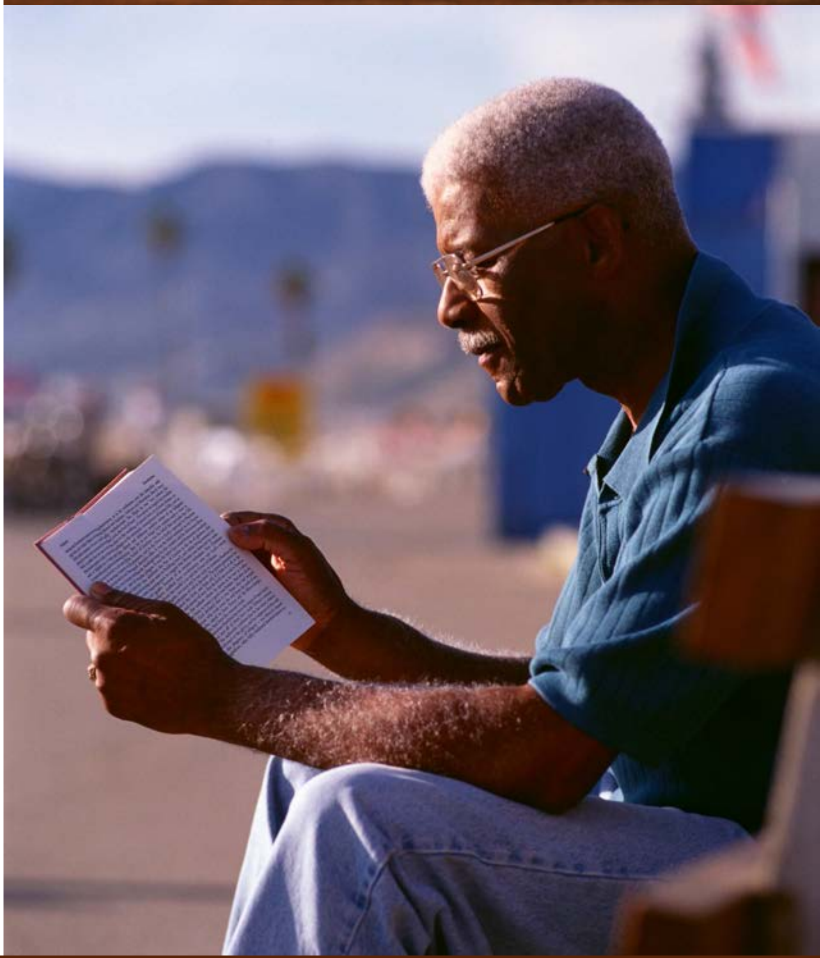
Mutual funds offer several advantages:

Diversification: Most mutual funds own dozens or even hundreds of securities. Managers often spread fund assets over more than one industry, or even more than one type of investment. Though diversification alone can't guarantee a profit or ensure against a loss, holding many different securities reduces the impact of problems with a single individual security. If some of the fund's holdings perform poorly, they may be offset by others doing well.

Professional money management: Full-time expertise is part of what you pay for in buying shares of an actively managed mutual fund. The fund's manager analyzes hundreds of securities (both current and contemplated holdings) and makes decisions on what and when to buy and sell.

Small investment amounts: Depending on fund rules, you can open an account and make subsequent contributions with as little as $50. You can even set up automatic investments through a transfer of funds from your bank account.

Liquidity: You can convert your mutual fund investment into cash (i.e., redeem your shares) by making a request to the fund company in writing, over the phone, or on the Internet on any business day.



On the other hand, mutual funds are not guaranteed investments. The price of mutual fund shares can change daily, and you'll receive the current value of your shares when you sell--which may be more or less than what you paid.

In addition, because investors in a mutual fund can withdraw their funds at any time, mutual funds tend to keep an amount of portfolio dollars in cash alternatives (to accommodate day to day withdrawals). These funds could be invested in investment options more suited to the fund's investment strategy.

Also, fund managers don't take into account your individual financial circumstances. This can lead to some inefficiency, particularly when it comes to taxes. For example, any short- or long-term gain the mutual fund realizes from the sale of securities is passed through to investors even if the investors don't receive any distributions from the fund. You can't control the timing.

Finally, all mutual funds have expenses that investors must pay for. These include sales charges and the annual operating expenses of running the fund. You can find out about these fees, usually calculated as an expense ratio, in the mutual fund's prospectus. Read the prospectus carefully, as fees and expenses affect a fund's return. The higher the expense ratio, the more likely the fund's return will be lower than a similar fund with lower expenses.

Investment Options - Exchange-Traded Funds (ETFs)

Like a mutual fund, an exchange-traded fund pools your money with the money of other investors and invests in a collection of securities. However, there are some key differences you need to understand.

Unlike actively managed mutual funds, exchange-traded funds typically select investments according to a specific index--for example, the S&P 500. The fund's investment choices typically don't change unless the index itself changes. That passive management style and relatively infrequent trading can help reduce the fund's costs for such things as management fees, research into individual securities, and trading fees for buying and selling individual securities. In this way, they are a bit like an index mutual fund.

Even if ETFs may have a passive management style, they can be useful to investors who want to trade actively. For example, an ETF can be traded throughout the day, and its price may fluctuate as a result of that activity, just as a stock's does. This is different from a mutual fund, which is priced only once a day, after the market closes. Also, an ETF can be bought on margin, sold short, or traded using stop orders or limit orders, just as a stock can. ETFs are one way to invest in an individual market segment or industry without limiting yourself to a single stock or bond.

Finally, because they trade relatively infrequently, ETFs may offer tax efficiencies. For example, they may make lower taxable annual distributions to shareholders. Like a mutual fund, each ETF publishes a prospectus; get a copy before investing and carefully review the information it contains. Even if two ETFs invest in the same market segment, they may use indexes that are structured differently.

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As with a mutual fund, before investing in an ETF, get a copy of the prospectus available from the fund and carefully review the information it contains, such as the fund's investment objective, risks, fees, and expenses. Carefully consider those factors as well as others before investing.

Many investors utilize an investment strategy called dollar cost averaging.

With dollar cost averaging, rather than investing a single lump sum you invest smaller amounts of money at regular intervals, no matter how the market is performing. Your goal is to reduce the overall volatility of your portfolio by purchasing more shares when the price is low and fewer shares when the price is high.

Although dollar cost averaging can't guarantee you a profit or avoid a loss, a regular fixed dollar investment may result in a lower average price per share over time, assuming you continue to invest through all types of markets. You should consider your financial ability to make ongoing purchases, regardless of price fluctuations, however.

For example, let's say that you decide to invest $300 each month toward your child's college education. Because you invest the same amount each month, you automatically buy more shares when prices are low and fewer shares when prices are high. Over time, you'll find that your average cost per share is actually less than the average market price per share over the time that you invested. If you're currently contributing automatically to a 401(k) plan at work, you're actually already practicing dollar cost averaging.

*Dollar cost averaging can't guarantee you a profit or protect you against a loss if the market is declining.

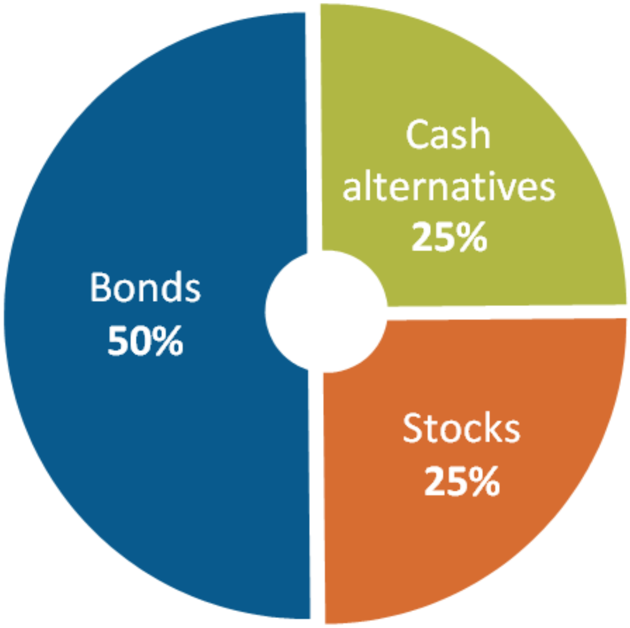
It is an almost universally accepted concept that any portfolio should include a mix of investments. That is, a portfolio should contain investments with varying levels of risk to help minimize exposure.

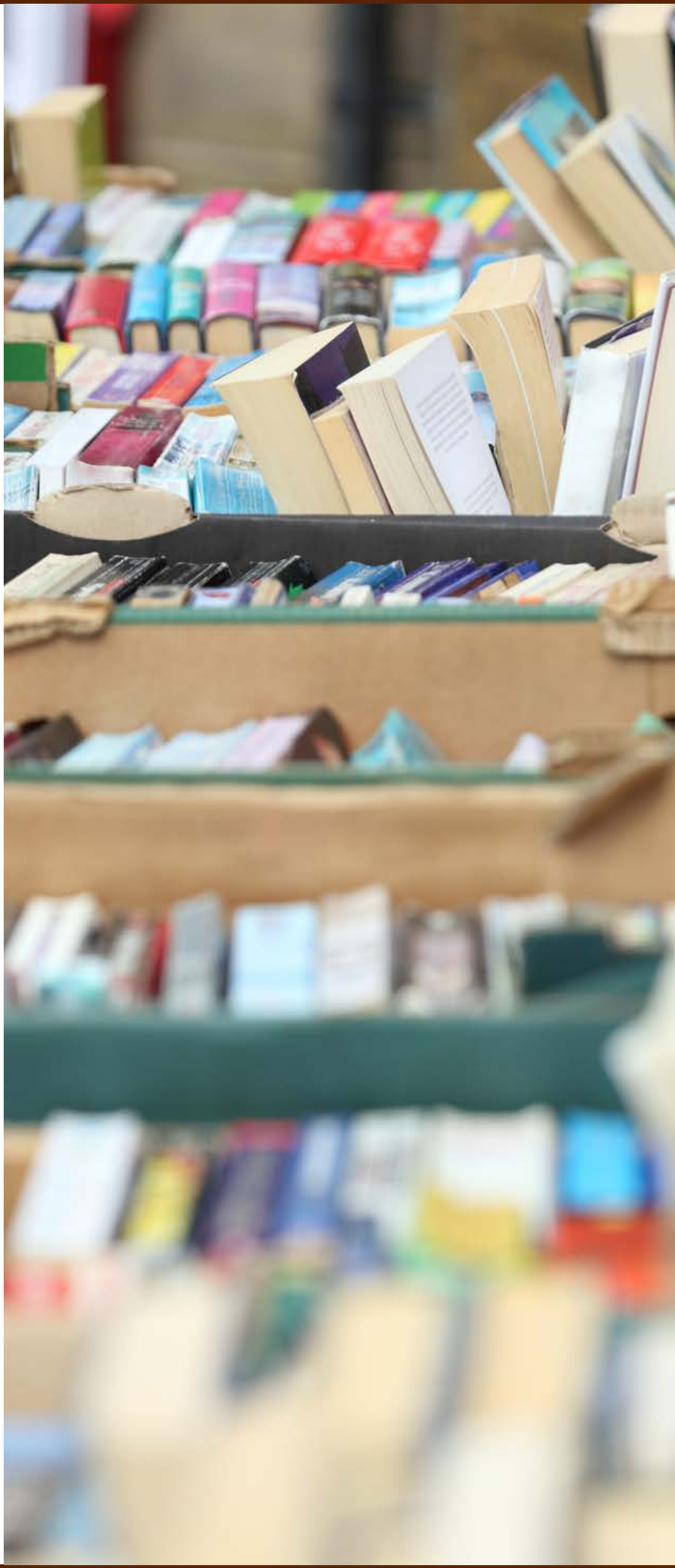
Many investors make the mistake of putting all their eggs in one basket. For example, if you invest in one stock, and that stock goes through the roof, a fortune can be made. On the other hand, that stock can lose all its value, resulting in a total loss of your investment. Diversifying your investment over several asset classes will help reduce your risk of losing your entire investment. Keep in mind, though, that diversification cannot ensure a profit or guarantee against a loss.

Asset allocation is one of the first steps in creating a diversified investment portfolio. Asset allocation is the concept of deciding how your investment dollars should be allocated among broad investment classes, such as stocks, bonds, and cash equivalents. The underlying principle is that different classes of investments have shown different rates of return and levels of price volatility over time. Also, since different asset classes respond differently to the same news, your stocks may go down while your bonds go up, or vice versa. Diversifying your investments over different asset classes may help you lower the overall volatility of your portfolio.

So, how do you choose the mix that's right for you? A number of resources are available, including interactive tools and sample allocation models. Most of these take a number of variables--some objective (e.g., your age, the financial resources available to you, your time frames, your need for liquidity), some subjective (e.g., your tolerance for risk, your outlook on the economy)--and suggest a possible allocation mix. You'll want to choose a mix of investments that has the potential to provide the return you want at the level of risk you feel comfortable with.

For that reason, it often makes sense to work with a financial professional to gauge your risk tolerance, then tailor a portfolio to your risk profile and financial situation.

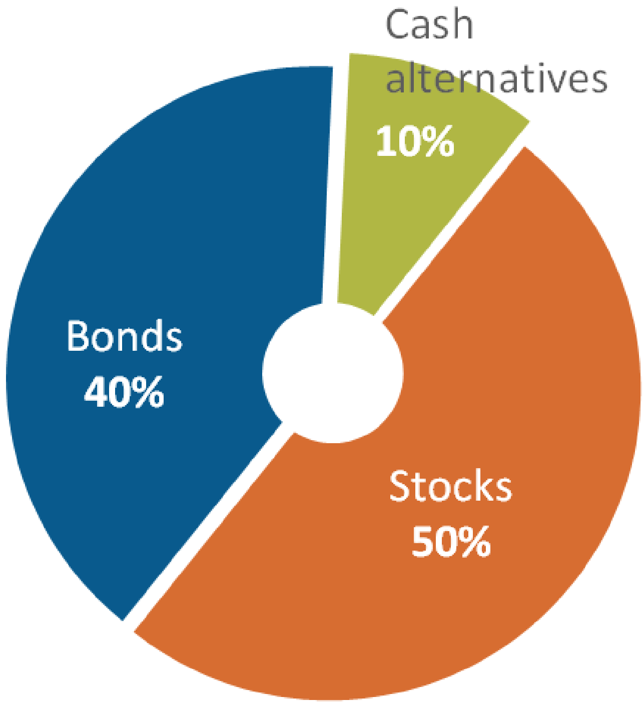




Conservative

Every individual's situation is unique. Nevertheless, in general, conservative asset allocation models will invest heavily in bonds and cash alternatives, with the primary goal of preserving principal.

*These asset allocation suggestions should be used as a guide only and are not intended as financial advice. They should not be relied upon. Past performance is not a guarantee of future results.



Moderate

In comparison, a moderate asset allocation model will attempt to balance income and growth by allocating significant investment dollars to both stocks and bonds.

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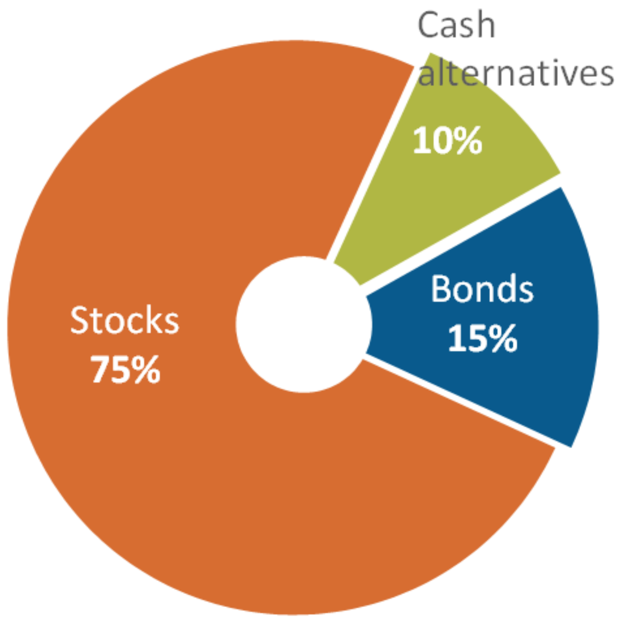

Aggressive

Finally, an aggressive asset allocation model will tend to concentrate heavily in stocks, focusing on potential growth.

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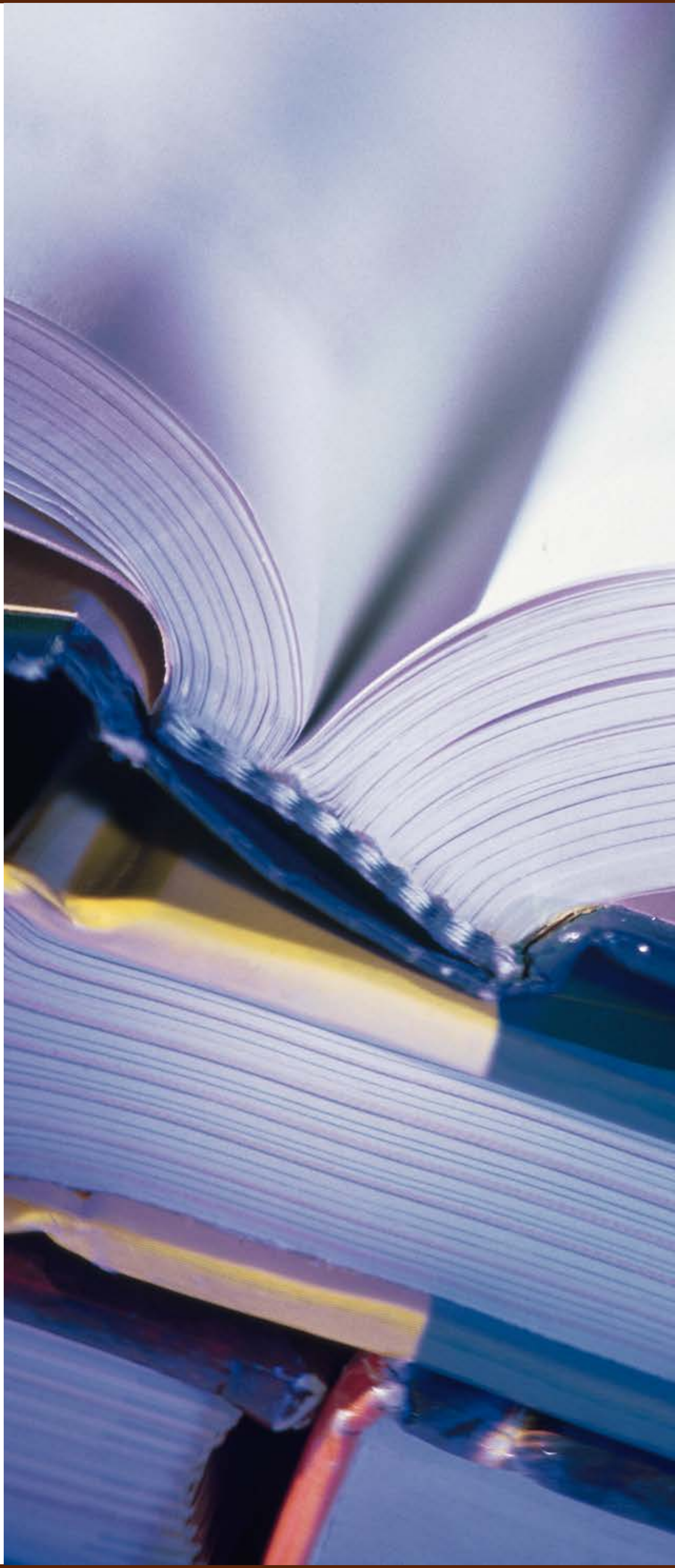

As you've seen, there's a lot to consider when it comes to investing. If you don't have the time, confidence, or inclination to put together an investment plan, you may benefit from the help and advice of a financial professional. A financial professional can help you:

- Determine your investment goals, timelines, and risk tolerance
- Evaluate markets and investments
- Create an asset allocation model
- Select specific investments
- Manage and monitor your portfolio
- Modify your portfolio when necessary

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