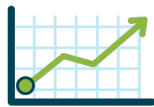


FINANCIAL FRIDAYS nymeo Federal Credit Union

Stocks vs. Mutual Funds vs. ETFs



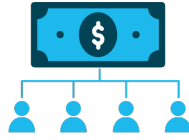
Understanding your investments is important to managing your portfolios. Below are a few basic definitions to help you better understand three investment vehicles: Stocks, Mutual Funds and ETFs.



Stocks

Stocks are a type of security that give stockholders a share of ownership in a traded company. Investors buy stocks for various reasons, including:

- The potential for capital appreciation, which occurs when a stock rises in price.
- The potential for dividend payments, which come when the company distributes some of its earnings to stockholders



Mutual Funds

A mutual fund is a company that pools money from many investors and invests the money in stocks, bonds, short-term money market instruments, other securities or assets or a combination of these investments.

- Mutual funds offer the advantage of professional management.
- Investors in mutual funds may benefit from diversification.

Because professional managers provide ongoing supervision of mutual fund holdings, mutual funds can be a quick and efficient means of managing money.

In addition, mutual funds may provide diversification, an important element of a well-rounded investment portfolio.



Exchange Traded Funds (ETFs)

Like mutual funds, ETFs are securities that allow investors to pool their money in a fund that invests in assets such as stocks, bonds, and commodities. However, ETFs have key differences compared to mutual funds:

- Shares trade intra-day on a national exchange at market prices that may vary from net asset value (NAV) instead of being issued and redeemed at the end of the day at the net asset value.
- Most ETFs are index-based which seek to track a securities index. Index-based ETFs may often have lower expense ratios.

Interested in getting expert advice?

Carmen, as a Nymeo member, remember that you have access to two seasoned financial advisors - Anna Behnam and Irene Tata. You can arrange a time to discuss your personal investment needs.

[**Schedule a Complimentary Consultation**](#)



Anna A. Behnam
Financial Advisor



Irene Tata
Financial Advisor

How much does a financial advisor cost?

Your initial meeting with Anna or Irene is complimentary! Depending on your specific need, as well as the complexity of your situation, you may choose to pay for additional options. [Schedule a time to speak with them at your convenience.](#)

Investment products are not federally or NCUA-insured, are not deposits or obligations of, or guaranteed by any financial institution, and involve investment risks including possible loss of principal and fluctuation in value.

The initial consultation provides an overview of financial planning concepts. You will not receive written analysis and/or recommendations.



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