

# Financial Investments



People often put their savings into financial investments like stocks, bonds, or certificates of deposit. Some of these are more risky — but have the potential of a much better rate of return — than less risky investments. Research the financial investments below. Rate each according to risk and return — with 10 high and 1 low. (Information can be found in newspapers or on web sites such as [www.Bankrate.com](http://www.Bankrate.com) or [Finance.Yahoo.com](http://Finance.Yahoo.com).)

## Stock

Definition: \_\_\_\_\_

Example: \_\_\_\_\_

Risk Rating: \_\_\_\_\_ Return on Investment Rating: \_\_\_\_\_

## Bond

Definition: \_\_\_\_\_

Example: \_\_\_\_\_

Risk Rating: \_\_\_\_\_ Return on Investment Rating: \_\_\_\_\_

## Certificate of Deposit

Definition: \_\_\_\_\_

Example: \_\_\_\_\_

Risk Rating: \_\_\_\_\_ Return on Investment Rating: \_\_\_\_\_

Activity: Examine the web site of your State Securities Commissioner. List examples of "investment scams." \_\_\_\_\_

On the back, list ways that you can help avoid investment scams.

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