

MUTUAL FUNDS

A mutual fund is an investment into which many investors pool their money and a group of professional advisers invests it for them—usually in the stock or bond markets.

Mutual funds are valuable for the small investor for several reasons.

1. You can risk a relatively small amount of money (some mutual funds require as little as \$25 monthly to open a fund account).
2. Your money is spread over a large area in the economy.
3. The return on mutual funds consistently averages much higher than prevailing interest rates.

Where to find information on mutual funds

- a. Several national magazines publish annual reviews of mutual funds, including lists of available funds, past history, and future projections: *Business Week*, *Fortune*, *Consumer Reports*, and *Money*.

These magazines should be available at your local public library. The reference librarian can help you locate the particular issues that contain mutual fund information.

- b. More timely information on mutual funds is available through a number of mutual fund newsletters, such as the following.
 1. *Sound Mind Investing*—This is an excellent, easy-to-understand publication that's good for the beginning or low-budget investor. Geared to "today's Christian family," *SMI* offers "a conservative approach to investing that emphasizes preservation of capital." The editor of *Sound Mind Investing* is Austin Pryor, an investment adviser who's appeared on both of our radio programs. Their Web site is www.soundmindinvesting.com. For information and a sample, write to **Sound Mind Investing**, PO Box 22128, Louisville KY 40252-0128.
 2. *Mutual Fund Values*—Written for the more experienced investor, *Mutual Fund Values* is published by an independent analytical service that tracks most mutual funds offered in the U.S. It looks not only at earnings potential but also at the risk of investing in particular funds. For information write: **Morningstar, Inc.**, 225 W Wacker Dr, Chicago IL 60606 or call (312) 696-6000 or (800) 735-0700.
 3. Web Sites to assist you in researching mutual funds:
www.bigcharts.com
www.mutualfundnet.com
www.fundz.com
www.aaii.com/mfunds/index.shtml
www.morningstar.com