

Balancing Risk & Reward

As you can see from the investment pyramid, risk varies among types of investments. Bank savings accounts, CDs and life insurance programs represent the foundation of your savings program and carry a low amount of risk, and consequently, provide a lower return on your investment.

As you ascend the investment pyramid, stocks represent a higher degree risk because of the unpredictable forces that govern the rise and fall of the stock market - namely, interest rates, world events, company and industry performance, and many more.

