

Course of Study for Beginning Investors

Class 1 Why Invest in Stocks

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Five-year Blocks of Time

Since 1945, the majority (83%) of 5-year annualized returns have been between 0% and 20%.

The 5-year returns for the years ending 2002-2005 and 2008 have been "historically unusual." So was 2000!

History suggests that we can expect better from a long-term perspective.

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10-Year Blocks of Time

There are only two negative numbers on this chart!

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CONVINCED?

If stocks show the best return over time, then becoming an **INVESTOR** is key to your financial freedom.

What kind of **INVESTOR** will you become?

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INVESTING STYLES

- Technical
- Speculative
- Value Oriented
- Income Oriented
- Growth Oriented

People make money using all of these styles!

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KEYS TO SUCCESS

- Pick a style
- Learn the discipline
- Practice
- Practice
- Practice
- Maintain the discipline
- Do not jump from style to style to style

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BetterInvesting

- Over 60 years of experience
- Growth investing with an eye on value
- Goal oriented
 - Aim to double your money every five years


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BetterInvesting Method




- **Sleep-at-Night Investing**
- **Long-term**
 - Generally, aim to hold a stock at least five years
- **Conservative**
 - Purchase companies with consistent history of growth and quality

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BetterInvesting

- **The BetterInvesting Stock Selection Guide is our key to evaluating and purchasing stocks**
 - Provides a method to evaluate the quality of a stock
 - Uses your judgment to determine whether the stock is a BUY at today's price
 - Calculates potential compounded annual return for next five years

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PRINCIPLES OF BETTERINVESTING


- **INVEST REGULARLY**
- **REINVEST ALL EARNINGS**
- **DIVERSIFY**
- **INVEST IN QUALITY GROWTH COMPANIES**

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BetterInvesting believes in investment clubs:


- **Meet and invest on a regular basis**
- **Share the responsibility for stock studies**
- **Provide support and education for investors of all levels**

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LEARN MORE

- **CHAPTER CLASSES**
- **ONLINE STOCK STUDIES**
- **ONLINE TOOLS AND CLASSES**
- **PRE-PACKAGED STOCK ANALYSIS SOFTWARE**
- **CLUB ACCOUNTING SOFTWARE**
- **WWW.BETTERINVESTING.ORG**

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THANK YOU



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