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Enronitis - May 25, 2015, 2:42 pm

This thread is meant to serve as a general directory for information about all of the most common investment types available at ones disposal. Some of the information was taken from the respective Investopedia article for a more comprehensive user-friendly definition, rest of it was written by me. I will be updating this for a bit to better expand on some types of investments as well as add ones overlooked.

Stocks

What are they?: Simply put, a stake in a company. Not every company is available to be traded, only companies who have gone "public". When most think stocks you think of companies like Apple, Google, Netflix, etc. But there's also smaller, more affordable options like Logitech, Basic Energy Services, Etc. These companies can be bought and sold for profit depending on the supply and demand. You can hold shares of a company for as long as you want.

Requirements: 18+ Years Old, \$1,000+ Liquid Cash(Recommended)

Overall: Stocks are a viable option for those looking for both passive and active incomes with liquid cash of \$1,000+. The more time+effort put into learning the market, the more likely one is to be profitable.

Bonds

What are they?: "Bond" is a type of debt investment. When you buy a bond, you are loaning money to someone or something (a corporation or the government, for example) and they are expected to pay you back over a set period of time with a set interest. Corporate Bonds: Debt securities by corporations; Further broken down into High-Yield and Investment-Grade typically. High-Yield being much more risky, but of course rewarding.

Municipal Bonds: Issued by the government; broken down into General Obligation, Revenue, and Conduit Bonds.

Requirements: 18+ Years Old

Overall: Bonds aren't the best way to earn money, but are incredibly passive and are a good way to earn some money without doing very much at all.

REITs

What are they?: Real Estate Investment Trusts, or REITS, are another way to invest in real estate. Instead of buying your own property, you work with a company that earns profit from their own real estate investments. These sell like a stock on any exchange and offer high yields. Equity REITs: Invest in/Own Properties. Revenue comes directly from rent.

Mortgage REITs: Ownership of property mortgages. REITs loan money for mortgages to owners of real estate and the revenue comes from the interest on the loan.

Hybrid REITs: A mixture of the two above, invests in both properties directly and mortgages.

Requirements: 18 Years Old, \$3,000+ typically.

Overall: REITs tend to pay very high dividends and are very low risk in comparison to other traditional investment types.

Venture Capital

What is it?: This is money you give to a startup or small business, with the expectation that it will grow, and you'll get a return on that money. A lot of times, venture capitalists become partners in the company, owning part of its equity and getting a say in business decisions. In this way, they can be thought of as ownership investments.

Requirements: No direct requirements except having significant capital. (\$10,000+)
Overall: High-Risk, High Reward. Lots of possibility to earn, and lots of possibility to lose.

Commodities

What are they?: Investing in a commodity is investing in some sort of resource that affects the economy. Oil, beef and coffee beans are all different types of commodities. You can purchase these through Futures Contracts, Stocks, ETFs, etc.

Requirements: 18 Years Old

Overall: Similar to stocks these can be as little or as high risk as you want them to be and as long, or short term. The more research and understanding of what influences a specific commodity the more likely you are to be successful.

Mutual Funds

What is it?: An investment vehicle that is made up of a pool of funds collected from many investors for the purpose of investing in securities such as stocks, bonds, and similar assets. Mutual funds are operated by managers, who invest the fund's capital and attempt to produce capital gains and income for the fund's investors.

Requirements: 18 Years Old, Significant Capital. (\$5,000+ in many cases)

Overall: Customizable risk options, and a completely passive form of income.

Index Funds

What are they?: Index funds are mutual funds, but instead of owning maybe twenty or fifty stocks, they own an entire portion of the market. For example, an index fund like Vanguard's VFINX, which attempts to track the S&P 500 stock-market index, tries to own the stocks in its target index (the S&P 500, in this case) in the same proportions as they exist in the market.

Requirements: 18 Years Old, Significant Capital. (\$5,000+ in many cases)

Overall: Customizable risk options, and a completely passive form of income.

Exchange Traded Funds (ETFs)

What are they?: These are very similar to index funds in that they're meant to track an index, or a measure of a specific market. The biggest difference is the way they're actively traded. ETFs can be traded like stocks, and their prices adjust like stocks throughout the day, with a fairly constant fluctuation and shift. Something which Mutual Funds/Index funds do not do.

Requirements: 18 Years Old, Capital of \$1,000+ Optimal.

Overall: Customizable risk options, and a completely passive form of income; with the ability to actively trade if so wishing.

Precious Metals or Objects

What are they?: Just as it sounds, investing into precious materials such as Gold, Platinum, Silver, etc; You can do this directly by purchasing bars of silver/gold, or by investing in ETFs or Stocks that are involved in mining companies such as: GLD, PPLT, SLV.

Requirements: No Age Requirements. Capital requirements vary.

Overall: Recommended only for those with knowledge of the specific object, can be very dangerous.

Forex

What is it?: Forex or Foreign Exchange is the market for currencies. Think of it like the stock market but only for world currencies such as the EURO, USD, etc. Here you can buy Euros for USD, or just

about any other currency you could name, or didn't even know existed. Traders profit off of currency changes, generally fairly small.

Requirements: 18+, Capital Requirements ~\$200+ due to high leverage factor.

Overall: Recommended for those whom are interested in technical analysis and an active very involved form of income.

Education

What is it?: An investment form that is incredibly often overlooked. Investing in ones education can be much more profitable than any and all of the above investment vehicles providing opportunities for you to grow and profit as an individual and create a level of self worth which these other investment types can't.

Requirements: NONE.

Overall: Highly recommended for anyone and everyone. You are never too old, or too young to get a degree or a solid education.

AaronN. - May 25, 2015, 2:43 pm

Nice another excellent contribution man keep it up.

aliciousness - May 25, 2015, 2:44 pm

Looks aight. Not too bad...

NiktoKan - May 25, 2015, 4:24 pm

OP you may want to consider introduce Forex, Binary Option, Poker & Casino.

"Betty23" - May 25, 2015, 5:04 pm

Nice work matey, good bit of information.

Enronitis - May 25, 2015, 5:23 pm

(May 25, 2015 04:24 PM)NiktoKan Wrote: [\[CITE\]](#) OP you may want to consider introduce Forex, Binary Option, Poker & Casino.

Will be adding Forex and traditional options.

Poker/Casino's are GAMBLING not investing. There's a big difference. I refuse to acknowledge "binary options" as investing.

Savage Matt - May 25, 2015, 7:13 pm

Idk why where my shoutout is, I'm highly disappointed. However great post keep it up man. I'm positive this will help somebody.

Johnny.s - May 25, 2015, 8:34 pm

OK than Enronitis , lets say i have 10K to invest. What do you suggest to be the best options of all above options for a starting investment ?

I want to hear your suggestions , and what would you do if you have 10K on disposal.

Enronitis - May 25, 2015, 8:53 pm

(May 25, 2015 08:34 PM)Johnny.s Wrote: [\[CITE\]](#) OK than Enronitis , lets say i have 10K to invest. What do you suggest to be the best options of all above options for a starting investment ?

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If I had only \$10k at my disposal with my current knowledge I'd without hesitation invest full on in stocks as this is what I'm personally most skilled and familiar with and know I could earn a fair amount off it in a short time.

Now you as someone who's new to investing I'd need to know a bit more about what you're looking to get from the investment and the amount of work you're looking to put in.

For a passive approach you're best off dropping it in an ETF probably. For a more active approach stock investing or Forex could be profitable for you.

Johnny.s - May 26, 2015, 6:53 am

(May 25, 2015 08:53 PM)Enronitis Wrote: [\[CITE\]](#) If I had only \$10k at my disposal with my current knowledge I'd without hesitation invest full on in stocks as this is what I'm personally most skilled and familiar with and know I could earn a fair amount off it in a short time.

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Well to be honest i dont want to put much time in it, since time is one thing i dont have, i need something with passive approach but shortterm gain. Not passive long-term.

Would go for the stocks but have no knowledge about it. So i'll rather invest my money into something that i know it will provide a fair amount of profit , or something that can bring me a low amount of profit but on monthly bases.

Astral™ - May 26, 2015, 7:19 pm

Fantastic thread, very informational. Bookmarked.

DuguWudi - May 27, 2015, 11:49 am

(May 26, 2015 06:53 AM)Johnny.s Wrote: [\[CITE\]](#) Well to be honest i dont want to put much time in it, since time is one thing i dont have, i need something with passive approach but shortterm gain. Not passive long-term.

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I also want to know too. Thank you.

Kenjataimu - May 29, 2015, 2:26 am

(May 26, 2015 06:53 AM)Johnny.s Wrote: [\[CITE\]](#) Well to be honest i dont want to put much time in it, since time is one thing i dont have, i need something with passive approach but shortterm gain. Not passive long-term.

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Well dividends are usually payed out quarterly.

Ex. Ford is a relatively cheap stock that you don't really need to keep an eye on 24/7.

If you are looking for quick money that probably means it comes at higher risk.

How much money do you have to spend? Perhaps you should look into getting a financial advisor. Or check with some banks about opening up a savings account/TFSA. Some banks pay interest monthly.

tonyownsu99 - June 3, 2015, 3:54 pm

Nice thread. I do have a lot of money saved up and I'm willing to dedicate a lot of time into my investments. How does one get into stocks? I've tried looking online but everyone says different

things.

EricBoosting - *August 10, 2015, 4:05 am*

I love that last one! :)

Thanks, was interesting finding out all these!

crossera - *September 3, 2015, 8:13 am*

Can you suggest me a good website, which I can use for invest in Commodities and Stocks?

Also what amount of money you will advice a beginner to start with ?

And what amount of money you will advice someone who understand how Stocks work to start with :)

Thank you!

Acid409 - *September 3, 2015, 7:13 pm*

If you could. Could you add CD's to the list.

I am definitely curious as to where this thread will go. I learned a lot already from the read.