

\$100,000 Dollars to Invest

There are many reasons why I would like to start investing. One of the most important reasons is so I will be able to retire comfortably and not have to spend my entire life working. Because working only provides a sense of financial security for the present time, I need to focus on my long-term goals and objectives. There are situations or changes which could take away that financial security and I need to be prepared. I could make all the money in the world; however, if I am not managing my money, I might not be able to live or retire comfortably when the time comes for me to retire. Investing provides a means of saving for my current and future needs. Learning how to invest for myself will give me the experience and the knowledge to pass on to my children. Another reason I would like to invest is so when I have children of my own I will be able to send them off to college without any financial burdens. My goals in life are to be successful and live comfortably. In order to accomplish this, I will need to begin saving and investing immediately.

If I was given one hundred thousand dollars to invest in what ever I believe would best benefit me, I would invest my first fifty thousand dollars in an annuity with The Hartford insurance company. The product I would choose to invest in is "The Hartford Leaders Outlook". I chose Hartford because it is one of the largest investment and insurance companies based in the United States. Hartford has a long history in the financial world; they have been in business for almost two hundred years. Although I know past performance does not guarantee future results, Hartford has a proven track record of performance, even during a down market. The reason I would place a major part of my investments with Hartford is to make tracking my investments easier, reduce the amount of paper work, and reduce the chance of overlapping investments. Hartford also has a program that guarantees the return of my initial investment regardless of the

market. Hartford uses a professional money management firm, which would relieve me of the day to day worries of checking up on my investments. The Hartford product offers diversification, which is extremely important when investing. Hartford also offer many features such as re-balancing my portfolio, death benefits, tax deferral, and last but not least, the guarantee of the return of principle.

With the remainder of the money I would invest in several different mutual fund families, such as American Funds, Franklin Templeton Investments, and PIMCO/Allianz Global Investors. I have chosen mutual funds because it helps reduce the risks associated with investing in a single security. Mutual funds invest in many different companies and offer different investment objectives. It is important that I choose funds which match my goals and objectives. I understand that if I invest all of the money into one family I would get the benefit of reduced commissions, called break points. However, the reason I might choose more than one fund family to invest in is to better diversify and to find funds that best meet my financial goals.

The reasons I would choose to invest in the three families above are simple. One reason is that they have funds available that offer low risks and high returns on their investments. This is extremely important when investing. Each has a long line of history, unlike hot new funds that do not have a history or much experience to back them up.

American Funds have been around since 1931, and is the third-largest mutual fund family in the United States. What makes American Funds one the top companies on my list is the fact that they have twenty-nine different mutual funds to choose from; they give consistent philosophy, and a consistent approach that generates consistent long-term results. American Funds also offers college saving plans and a full line of retirement plans. This could be extremely helpful to me in reaching my goals in life.

Franklin Templeton Investments has been around since 1947, and has offices in twenty-nine countries worldwide. Franklin is the leader in tax-free investing around the globe. It is also

the leader for its global growth and value stock investments, and innovative fixed-income products. Like American Funds, Franklin also provides a college saving plan and various retirement plans.

Allianz has a history of one hundred and twelve years, and presence in more than seventy countries. They have a variety of funds with good returns and low risk. Allianz also has a college savings plan, which is called The CollegeAccess 529 plan. The CollegeAccess 529 is sponsored by the State of South Dakota. It is money that can be used at any college in any state; It can be used for any family member. In addition to that I can start with an initial investment as low as two hundred and fifty dollars.

The reason I've chosen the above funds to invest in is more so because of their history and experience. When investing I would like to invest in companies that have a long historical track record. It is important to find stable companies with a history because the most serious mistakes investors make is chasing performance. This will make me feel comfortable when investing; it lets me know that the company knows what they are doing. Each has some type of college saving plans which I could use to send my future children off to college without any financial burdens.

Being able to invest in the three mutual fund families in which I've listed above and The Hartford insurance company, I believe I will meet my financial goals and objectives. Investing provides a means to many ends, but most importantly it provides a way to live without incurring excessive debt. I believe investing is the first step to success as long as I choose carefully, practice patience by not trying to time the market, and stick to my plan.