

The Stock Market:  
Investing in the Future  
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The New York Stock Exchange, otherwise known as the NYSE, is the world's leading and most technologically advanced equities market. On an average day, 1.46 billion shares, valued at \$46.1 billion, trade on the NYSE (About the NYSE). The stock market is a highly effective resource to use when investing money for the future. This is one principal reason why so many people invest in the nation's stock markets. I would have good cause to choose to be an investor in the New York Stock Exchange had I any assets. Therefore, it is natural for me to select companies and products in which to invest, that are listed on the NYSE, when I am asked what I would do with one hundred thousand dollars.

It is important to choose company stocks that fit my money goals. Currently, I need to invest both short term and long term. College expenses will be cropping up in approximately two and a half years. Stocks with rapid growth and a potential for a gain in market value are suitable for this type of objective. On the other hand, retirement does not pay for itself and stocks with annual dividends and steady growth are fitting for this purpose. Companies known as "blue chip" companies are good to look for in this type of situation. They are classified by their reliability and their ability to remain profitable whether in favorable or bad economic conditions (Education). However, a crucial piece of knowledge to remember when investing money in the stock exchange is to diversify. By using diversification, the risk of losing all invested money is reduced significantly (O'Sullivan et al. 273). Therefore, I feel that investing in four stocks protects my money.

My largest stock, that is meant primarily to reap money for the college expenses of my short term goal, is Google, Inc. This company, an electronic internet search engine, has been doing exceptionally well in recent years. It is growing significantly along with its profits. Google generates revenue by delivering relevant, cost-effective, online advertising (Investor

Relations). It has risen 250 points in the 2005 year and about 120 points in the last quarter alone (GOOGLE INC). There is no annual dividend because this is a growth stock which uses the revenue from sold shares to invest back into the company for more growth (Education). The best choice for my money goals is to invest as much as \$30000 of the one hundred thousand. In that way, there will be money to spend on college after the shares are sold. This company is well on its way to becoming an extremely successful corporation and to be a shareholder is to acquire some of that success.

The second company has been selected as The Boeing Company. This company has been generating its revenue through its aerospace interests. Boeing manufactures and sells airplanes for commercial and military use. This company is one of thirty blue chip companies studied by the Dow Jones Industrial Average (O'Sullivan et al. 290). It has excellent reliability through the sometimes erratic behavior of the economy. Its market numbers have been climbing steadily. Boeing pays its shareholders an annual dividend of one dollar (The Boeing Company). This is a fairly common rate, but the yield percentage is high. Because of Boeing's superior growth, it is a good deal that as much as \$25000 of the one hundred thousand dollars be invested in it. The Boeing Company has exceptional dependability and a stable rate of increased growth that makes a worthy company what it is.

Another company in which to invest is the Hewlett Packard Company. It has been earning money for years by producing and selling new technological advances with special attention to the computer sciences. This company is also tracked by the Dow Jones Industrial Average because it is recognized as a blue chip company. It has been raising steadily over the years and will continue to grow due to the high demand for computer technology. As a blue chip company, it will proceed to grow through the ups and downs of the economy and stock market.

It pays a small dividend each year with a high yield on that dividend (Hewlett Packard Co.). Of the one hundred thousand dollars and in best interest for my money goals, it is advisable to spend as much as \$22500 in shares. This company is directed toward the retirement objective because of its slow, and yet very steady, pace upward.

The final company to invest in is Caterpillar, Inc. Caterpillar has been bringing in profits by producing heavy duty vehicles for construction companies. This corporation is sure to remain on a stable rate of upward development in the market. It is yet another blue chip corporation considered by the Dow Jones Industrial Average. It has a high percentage of yield compared to the national average and, like The Boeing Company, pays an annual dividend of one dollar for each share (Caterpillar Inc.). This corporation has earned the last place in my selections with as much as \$22500 invested of the original one hundred thousand. Caterpillar Inc. has proven itself to be a firm corporation amidst others in the market.

It is clear that this kind of diversification can reap superb results both in the long term and in the short term. As far as my personal goals, this combination gives sufficient funds to cover much of the expenses encountered directly after high school. Google, Inc. will certainly not go in a negative direction over only two and a half years. This is shown in its amazing growth over recent years and its continuing prosperity. However, if by some turn of unfortunate luck, Google does not do as well as expected, then there are other options to fall back on. Though they may not have such a high rate of production, the prospective outcome is favorable all the same. The Boeing Company has a reliable rate of return to its investors especially if the shares are held for a period of decades. The money generated from this stock will be a commendable investment for the years of retirement not only because of the money from selling shares but also that extra from the yearly dividends. The Hewlett Packard Company and

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Caterpillar Inc. both have these much appreciated perks. All three companies, Boeing, Hewlett Packard, and Caterpillar, are blue chip companies that have been tested and called worthy out of their outstanding records as established and respected companies in the market. Though not as fruitful as some of the newer growth stocks, the blue chip stocks demonstrate that gaining by slow and steady is one of the best ways to invest.

To put money out into the market is a fine way to invest. Investment decisions may take time and effort, but the benefits are well worth it whether in the long run or the short. To invest in the future is to invest in the stock market.

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