Common Investments

Mutual Funds and Exchange-Traded Funds (ETFs) may offer investors diversification (not putting all your eggs in one basket) and can reduce your risk.

**Mutual Funds**
A company that pools money from many investors and invests the money in stocks, bonds or other assets. A share in a mutual fund represents an investor’s part ownership in the fund and the income it generates. Mutual Fund shares can be purchased through the Fund company or a broker. Learn more here.

**Exchange-Traded Funds**
A product that allows investors a way to pool their money to invest in stocks, bonds or other assets, but Exchange-Traded Funds shares are traded on a national stock exchange. Learn more here.

Before You Invest, Investor.gov