

# Investing Basics

## A QUICK REFERENCE FOR UNDERSTANDING YOUR INVESTMENTS

Most portfolios are built using a combination of core components working together to support long-term financial goals. Understanding how these pieces fit together can help bring clarity to how your portfolio is structured.

### Investment Account Categories

Account Category	Account Type	Role
Qualified Accounts	IRAs, 401(k)s, 403(b)s	Tax-advantaged, long-term focus
Non-Qualified Accounts	Brokerage / investment accounts	Flexible access, taxed differently

These accounts are treated differently from a tax and planning perspective.

### The Building Blocks of a Portfolio

Most portfolios are built using a combination of different investment types, each serving a specific role

Investment Type	What It Is	Role in a Portfolio
Stocks	Ownership in companies	Long-term growth
Bonds	Loans to governments or companies	Stability and income
Mutual Funds	Managed pool of investments	Diversification
ETFs	Basket of investments traded like stock	Diversification + flexibility
Cash / Money Markets	Short-term holdings	Stability and liquidity
CDs / Notes	Fixed-term investments	Predictability / income
REITs	Real estate investments	Income + diversification

## How It Comes Together

Diversification	Allocation	Time Horizon
Different investment types	How much is in each	How long it's invested

## How Investments Are Managed

Active	Passive	Target Date Funds
Managed decisions	Tracks an index	Automatically adjust over time

## Why Coordination Matters

Investments don't exist in isolation.

Taxes, account types, and timing all play a role in how a portfolio works together.

When these pieces are aligned, the overall strategy tends to feel clearer — and easier to stick with over time.

## A Simple Check-In

If you've ever looked at your accounts and wondered how everything fits together, you're not alone.

A few simple questions can help bring clarity:

- Do I understand what I own?
- Do I know why it's there?
- Does it align with my long-term goals?

Taking a step back to understand the structure behind your investments can bring clarity over time.

If it would be helpful to talk through your portfolio together, we're always here as a resource.