

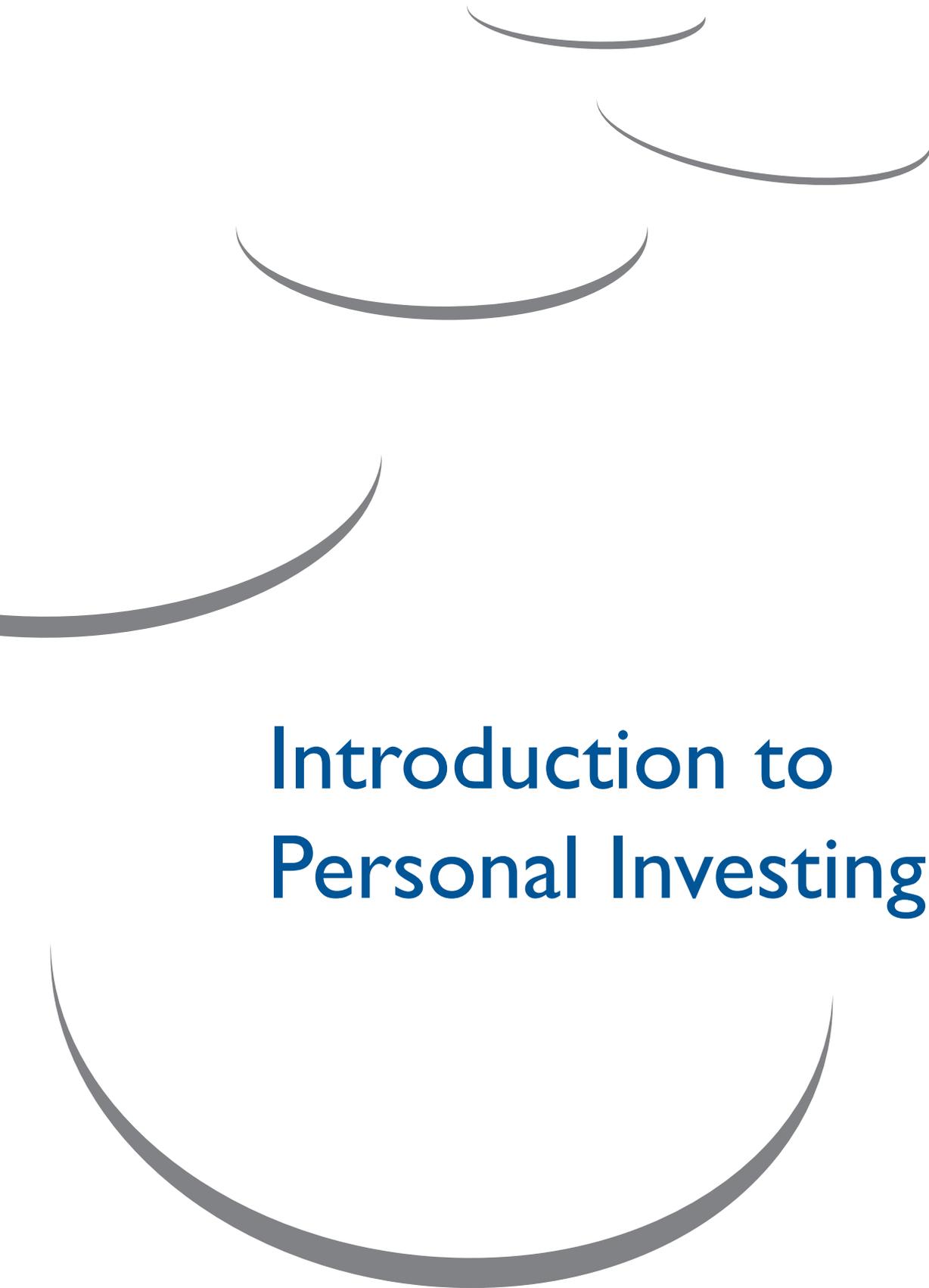


وعي مالي شخصي
Personal Financial Literacy



Road Map to Investing Wisely





Introduction to Personal Investing

Have you ever wondered how the rich got their wealth and then kept it growing? Do you dream of retiring early (or of being able to retire at all)? Do you know that you should invest, but don't know where to start? Why some people are able to manage their personal finances more effectively than others?

If you answered "yes" to any of the above questions, you've come to the right place. In this guidebook we will cover the basic practices of personal finance and investing. The world of finance can be confusing, even extremely intimidating, but the financial world won't seem so complicated once you learn some of the major concepts.

We should emphasize, however, that managing your money and investing isn't magic. Taking control of your personal finances will take work, and, yes, there will be a learning process. But the rewards will be far greater than the required effort. Even if you elect to use professionals such as banks or investment advisors to manage your money, using the information on this website will place you in a better position than you are to know what is best for you and your money. Regardless of your age, family situation, personality type, lifestyle or interests, the information you will find here will help.

You may be interested to know the three most common mistakes people make in personal finance:

1. Thinking about money matters only when faced with a financial problem.
2. Spending more than they earn.
3. Getting financial advice from amateurs.

Personal financial planning and investing leading to financial success involves a number of areas. These can be represented by the following graphic:



The concepts and techniques of sound personal financial management and investing are called Personal Finance 101. We begin with acquiring an understanding of some basic concepts of finance. Once you understand these basics, we will undertake a step by step process for gaining and maintaining control of your financial life. Personal Finance 101 covers a series of lessons on major activities in personal finance:

INTRODUCTION

Basic Concepts of Finance

There are 10 basic concepts of finance that should be understood before proceeding with the study of personal finance and investing.

LESSON 1

Setting priorities

Here's help for the first – and often the hardest – step in achieving your financial goals: deciding which goals to pursue.

LESSON 2

Making a budget

How to bring your spending under control, so that you get the most out of every dollar.

LESSON 3

Basics of banking and saving

Here's how to get the best banking services at the best price, either online or off.

LESSON 4

Basics of investing

An introduction to making money in stocks, bonds and mutual funds.

LESSON 5

Investing in stocks

The market can be a great place to turn savings into wealth – or to lose your shirt. Here are some fundamentals of investing wisely.

LESSON 6

Investing in mutual funds

It's a mutual – fund jungle out there. Here's how to create a simple portfolio that works.

LESSON 7

Investing in bonds

Bonds can provide a steady and reasonably secure income, while adding ballast to your portfolio – but only if you really understand what you're buying.

LESSON 8

Buying a home

Owning your home is part of the American Dream, but if you're not prepared, buying it can be a nightmare. Here are some fundamentals for buyers and sellers.

LESSON 9

Controlling debt

You've got to know when to hold debt – and when to fold it. This lesson shows you how to accomplish your financial goals by making debt work for you.

LESSON 10

Saving for college

It's not rocket science, just common sense. By starting early and investing regularly, your children may have a wider choice of colleges, and paying the bill won't hurt as much.

LESSON 11

Kids and money

Up until they start earning a living, and sometimes well beyond that, kids are apt to spend money like it grows on trees. This lesson will help you put your children on the road to handling money responsibly.

LESSON 12

Planning for retirement

Achieving a comfortable retirement in the 21st Century requires a new approach to retirement planning.

LESSON 13

Asset Allocation

The single most important thing an investor can do is practice asset allocation. Here's how.

LESSON 14

Hiring financial help

What to keep in mind when seeking professionals to handle your financial planning, stock trading, insurance coverage and tax returns.





LESSON 15

Health Insurance

Whether your employer provides you with a group medical plan or you need to buy coverage on the individual market, understanding how health insurance works is the best way to get your money's worth.

LESSON 16

Buying a car

Buying a car is like no other shopping experience. The choices seem to be endless. This lesson helps you sort through your options.

LESSON 17

Taxes

Among the long list of necessary evils we must encounter throughout our lives, perhaps the most constant – taxes – is also the least understood. But the whole process isn't nearly as baffling as you may think.

LESSON 18

Home insurance

Homeowners' insurance can be a nightmare. It's costly, confusing, and unrewarding – until you have to use it. Here, you'll learn how to purchase peace of mind now and later.

LESSON 19

Life Insurance

Life insurance is critical to financial planning. It's a necessity for anyone with dependents who would be affected financially by your demise. Yet life insurance is one of the hardest financial products to understand and it's sold by agents who are sometimes more concerned with their commissions than your needs. This Money 101 lesson is all about a better way to buy life insurance.

LESSON 20

Estate planning

The world is in the midst of one of the greatest inter-generational transfers of wealth in history, yet few of us have done any planning for it. Here's how to start.

LESSON 21

Auto insurance

Auto insurance can be a nightmare. It's costly, confusing, and unrewarding – until you need it. Here's how to purchase peace of mind now and later.

But before we begin with these Lessons we will cover 10 basic concepts of personal finance and investing that are important to understand.