

Allocate

**to assign the location of
something**

Analyst

**a person responsible for
evaluating and recording
which investments are
bought and sold**

Assets

**items a business owns that
have monetary value**

Bond

**a cash loan given to either a
company or a government
for a specific period of time
in return for a fixed amount
of interest**

Certificate of Deposit

a written certificate from a bank that it has received a specified sum of money as a deposit for a fixed period of time at a set interest rate

Collectible

**an object with a value that
is expected to increase over
time**

Controller

**a person responsible for
tracking the value of
investments and calculating
finances**

Disposable Income

**money available for
spending and saving**

Diversification

**the distribution of assets
among a variety of
investments that have
different characteristics and
risk levels**

Economic forecast

**a prediction of future
market trends by industry
experts**

Finance

**the science of managing
money and other assets**

Financial goal

**the amount of money an
investor hopes to make on
his/her investments**

Financial investment

**property or possessions
acquired for future financial
benefit or return**

**Fiscal year
(financial year)**

a period of time (usually 12 months) used for calculating annual financial statements in businesses and other organizations

Goal

**a clearly defined objective
that can be reached within
a given period of time**

Indice

**an index of stocks of the
largest companies used to
benchmark the performance
of a stock exchange**

Inflation

**a rise in the cost of goods
and a decline in the value of
money**

Insurance

**a policy purchased by the
investor to protect against
the damage to or loss of an
investment**

Interest

**a fixed charge for borrowing
money**

Investment

**time, energy, or money put
into something for the
purpose of generating an
expected return or benefit**

Investment firm

**a company that buys and
sells investments such as
stocks, bonds, collectibles,
insurance, and venture
capital**

Investment portfolio

**a collection of investments
owned by an individual or
group**

Investment strategy

**plan of action taken to
achieve a financial goal**

Investment team

**a group of people who agree
to put their money together
for the purpose of financial
gain**

Managing director

**a person responsible for
overseeing and leading a
team in achieving a long-
term investment goal**

Market

**the organized buying and
selling of a particular
investment type**

Market trend

**the general direction of
buying and selling observed
over a period of time**

**Negative return
(loss)**

**the money lost on an
investment (initial value
exceeds current value)**

Philanthropists

**people who work to
increase the well-being of
humankind through
charitable aid or donations**

Positive return

**the money gained on an
investment (current value
exceeds initial value)**

Reconcile

**to measure or check
financial records against
other records for accuracy**

Real estate

**property in the form of land
or buildings**

Return

**the money gained (or lost)
on an investment**

%ROI

**a return expressed as a
percentage of the initial
investment**

Risk

**the perceived chance of
injury, damage, or loss**

Risk averse

**investors with a low-risk
tolerance, preferring lower
but safer returns**

Risk Neutral

**investors seeking a balance
of low- and high-risk
investments**

Risk tolerance

**the degree of uncertainty
that an investor can handle
in regard to a negative
change in the value of his or
her portfolio**

Risk tolerant

**investors with a high-risk
tolerance, preferring
higher-risk investments that
may yield higher returns**

Stock

**the representation of
ownership in a company**

Trade

**the purchase or sale of an
investment**

Trader

**a person who buys or sells
investments on behalf of an
investment team**

Transaction

**the art of conducting a
business trade**

Venture capital

**money invested in a new
company in return for
partial ownership of the
business**

Venture capitalist

**a person who invests cash in
new and innovative
businesses**