

THE INVESTMENT PYRAMID¹

In the pyramid, the highest risk is at the top, e.g. investing in metals and commodity futures.

The safest (less risky) investments at the bottom. Investments such as CDs have a very low risk and therefore low return. Return is the amount of money you make on top of what you invested.

It is not a good idea to have too much of your money invested within one or two levels of the pyramid. A diversified portfolio blends numerous kinds of investments, but the balance between levels of risk is recommended to change with your age.