



# Activity:

## Your Investment Types & Exit Plans

This activity asks you to select the stock market investing method that most appeals to you and which type of investment analysis – fundamental or technical – you prefer. Then you will consider several scenarios related to stock investments, and design exit plans to react to those scenarios.

## Activity: Your Investment Types & Exit Plans

Which method of investing in the stock market sounds most appealing to you?

Buying Individual Stocks

Mutual Funds or ETFs

Investment Clubs

Robo Advisors

Combination

### Investment Analysis Options

Of the analysis options covered, which type of analysis are you most interested in?

Fundamental analysis

Technical analysis

Both

### Create an Exit Plan

Before you ever invest any money, it's important to have a clear exit plan in place. In this activity, you will create a sample exit plan.

It is important to note that, besides an exit strategy, you also want to have a strategy that includes moves you may make while you are still holding your investment. You could do nothing and maintain the same investment. You may even decide to invest more money as part of your strategy.

To start creating your plan, it's important to understand that when planning your exit strategy, you could choose to sell the entire investment or just parts of the investment. There is an unlimited number of scenarios that can occur. The more you plan in advance, the faster you can react if necessary. This activity is designed to help you start thinking through the many different options that may happen.

## Activity: Your Investment Types & Exit Plans

Scenario: Half of all your money is invested in the stock market. What will you do if:

1. Your investment doubles in 2 years: \_\_\_\_\_
2. The market crashes and you lose 25% of your investment's value within the first month:  
\_\_\_\_\_
3. After 4 years, your stock is at the same price at which you bought it: \_\_\_\_\_
4. Your investment is up a few percentage points in 10 years, and you need money to pay for your child's college: \_\_\_\_\_
5. Your investment has provided returns higher than the average market return for the last 5 years: \_\_\_\_\_

