



Faith & Its Role in Higher Education

1st Annual Faculty Forum

There will be a panel discussion led by faculty, followed by questions/comments and a wine and cheese reception.

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 Deborah Green, Religious Studies
 Timothy Gianotti, Religious Studies
 Jack Maddex, History

LCC PROFESSOR

Eileen Thompson, English

NCC PROFESSOR

Loren Crow, History and Biblical Studies

HSU PROFESSOR EMERITA

Dodi Poelzer, Sociology

Friday, May 14th, 5:00 p.m.

Event will be held at the Newman Center
 1850 Emerald Street (across from Hayward Field)
 For more information, call 346-4468

OREGON DAILY EMERALD your independent student newspaper

Investment Group advises students on financial gains

The campus group explores monetary options such as stocks and mutual funds

By **Steven Neuman**
 News Reporter

Games of chance, such as dice and roulette, often offer a thrill as players face the potential of winning some money. Yet smart investing can provide better odds and bigger payoffs than anything on a casino floor — even for beginners.

The stock market isn't about luck, it's about smart investing and getting ahead in the game, said Pei-Kai Chi, director of operations for the University's Investment Group. "You want to get a start as early as possible because that can make a huge difference."

The Investing Group is an organization of students composed of undergraduates and graduates in various majors at the University. Members research potential investments, write reports and share their findings to gain real-world investing experience.

But investing does not only mean buying stocks. The markets offer investors many options with different amounts of risk. Choosing the right option means evaluating how much money one is willing to lose at the expense of gaining more, Chi said.

Chi, who graduated from the University in April, said a certificate of deposit or money market account generally offers the best investment for those looking to invest but unwilling to take the risks associated with the stock market.

"Instead of opening a savings account with your bank, open a money market account," Chi said. Basically it's risk free, but you're taking a little risk so you get slightly higher interest rates.

"In a money market account the bank will invest money for you in the market so they pay you a better rate."

Chi said CDs offer beginning investors the best low-risk, short-term investment. They have set time limits, which may range from six months to a year or more, before the invested money becomes "mature." During that time, banks will invest

the money and pay investors a set amount of interest based on the interest rate set by the government.

The bank is obligated to return an investment with the accrued interest, making CDs very safe but not very profitable, Chi said.

"I would always recommend a CD because it's so low risk, but since the interest rate is so low right now, they will only pay one percent or two percent interest rate," Chi said.

Chi said investors looking for a larger return on investments must take more risks.

"If you don't know too much about the stock market, mutual funds are the way to go," he said.

Mutual funds are "pools" of money created by companies in which people invest. Professionals use the investors' collective funds, known as a portfolio, to buy a wide range of stocks and make investments.

Chi said a fee usually accompanies mutual funds because they are managed by professionals.

"Sometimes they will charge a one to two percent expense ratio, so if you make \$100 they will charge one to two dollars to just manage the money," he said.

Associate business Professor John Chalmers is the faculty advisor for the Investment Group.

"The best stock tip is not to pick (individual) stock," said Chalmers. "The best stock tips are index funds and mutual funds — things that provide for a diversified portfolio."

The riskiest but most potentially lucrative choice a beginning investor can take is to purchase individual stock in companies. Purchasing stock may be very profitable because the stock market, which controls the price of stocks, is so unpredictable, Chalmers said.

Chi said a strong base of knowledge about the companies one is investing in is the foundation of wise investment choices.

"The stock market is risky only if you don't understand it and you just go ahead and buy whatever the newspapers say (is doing well); then I don't suggest it," he said. "You may want to talk to some professional, or I would suggest that students go to Merrill

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