

# Investment Risk

## INVESTMENT STRATEGY

The management of investment risk requires that you understand the various types of investment risk. A brief review of mutual fund prospectuses identifies the following major types of investment risk:

Aggressive Investment Risk		Frequent Trading Risk		Call (Prepayment) Risk	
Allocation Risk		Growth Securities Risk		Put Option Risk	
Arbitrage Trading Risk		Hedging Transactions Risk		Quantitative Approach Risk	
Asset Allocation Risk		High Yield Securities Risk		Real Estate Risk	
Asset Class Risk		Income Risk		Redemption Risk	
Asset-Backed Securities Investment		Index Construction Risk		Regulatory Risk	
Call Option Risk		Index Strategy Risk		REITs Risk	
Commodity Risk		Index Tracking Error Risk		Repurchase Agreements Risk	
Convertible Securities Risk		Industry Specific Risk		Rising Stock Market Risk	
Corporate Loans Risk		Inflation Risk		Sector Risk	
Correlation Risk		Interest Rate Risk		Securities Lending Risk	
Counterparty Credit Risk		Investment Concentration Risk		Securities Selection Risk	
Country Focus Risk		Investment Risk		Short Sale Risk	
Credit and Liquidity Enhancements		Investment Strategy Risk		Smaller Company Risk	
Credit Risk		Investment Style Risk		Sovereign Debt Risk	
Currency Risk		Issuer Credit Risk		Stable Net Asset Value Risk	
Currency Transactions Risk		Leveraging Risk		State Risk	
Cyber Security Risk		Liquidity Risk		Stock Risk	
Debt or Fixed-Income Securities		Management Risk		Structured Notes Risk	
Default Risk		Manager Risk		Subsidiary Risk	
Deferred Tax Liability Risk		Market Risk		Swap Agreement Risk	
Depository Receipts Risk		Market Trading Risk		Tax Risk	
Derivatives Securities Risk		Model and Data Risk		Tax Status of the Fund	
Distressed Company Risk		Money Market Fund Risk		Taxable Determinations Risk	
Distressed Securities Risk		Mortgage-Related Risk		Technology Risk	
Economic Risk		Municipal Bond Risk		U.S. Government Securities Risk	
Emerging Markets Risk		Non-correlation Risk		Value Style Investing Risk	
Equity Market Risk		Non-diversification Risk		Volatility Risk	
Equity Securities Risk		Non-investment Grade Securities Risk		Warrants Risk	
Exchange Traded Fund Risk		Options and Futures Risk		Zero Coupon Bond Risk	

Intelligent investors only expose their portfolios to the minimum risk necessary to achieve their financial goals. Use this investment risks checklist to discuss the various types of investment risks with your financial advisor to enhance your understanding of investment risk management and to develop a long-term investment plan that you can stick with over time.

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