

### Essential Internet and Print Resources

**Morningstar.** One of the best tools any individual investor can have is a subscription to Morningstar. Morningstar's terrific portfolio analysis tool is the best way to track and analyze multiple portfolios. In addition, you'll find excellent independent research on companies and funds, plus helpful articles on personal finance and financial planning. Ratings on stocks are value-oriented and short term; ratings on funds are short-term and oriented towards relative performance (which can be misleading). If you pay for one subscription, make it this one. Monthly membership is \$14.95, annual membership is \$135. [www.morningstar.com](http://www.morningstar.com)

**Wall Street Journal**, and sister publication, **Barron's**, are great reading. I love *Barron's* in print, but I prefer the online edition of the daily *Wall Street Journal* to the paper edition. Excellent articles on financial management. Essential data and information on companies, mutual funds, exchange traded funds, economics trends, etc. I've been using it for several years, and I keep finding new tools, including the very nice portfolio tracking system. <http://online.wsj.com> <http://online.barrons.com/home/main>

**Financial Times.** If you get into international investing (and you should), [www.ft.com](http://www.ft.com) is the place to go for a view from "across the pond." Some articles free. Also check out Reuters for international business news at <http://today.reuters.com/business>.

**The Economist.** It's the only a business news weekly I read cover to cover. Unlike *Barron's*, the *Economist* is more oriented towards international business, political and economic trends than to stocks. Thoughtful, and often very amusing in that wry British way. [www.economist.com/index.html](http://www.economist.com/index.html)

**SEC.** The US Securities and Exchange Commission has good free site at <http://www.sec.gov/investor.shtml>, loaded with info on investing, including stuff on the latest scams, plus a WONDERFUL mutual fund cost calculator: <http://www.sec.gov/investor/tools/mfcc/mfcc-intsec.htm>. The SEC site is also home to EDGAR online, where you can find 10Ks, 10Qs and other key documents for public companies: <http://www.sec.gov/edgar.shtml>

**Value Line.** Available in most public libraries, usually kept behind the reference desk. Good, unbiased source of info on funds and companies. Ratings are short term and momentum oriented. [www.valueline.com](http://www.valueline.com)

**S&P Reports.** Also good source of info on funds and companies. Available in libraries. Similar to Value Line. Free with many discount and full-service brokerage accounts. Momentum oriented, short term.

**Google.** The premier web search engine is at [www.google.com](http://www.google.com). The fastest way to find company web sites, definitions of financial terms and also prospectuses for mutual funds.

**MSN Money.** An excellent *free* internet site with very solid articles on personal finance, banking and investing. Lots of good tips on managing your money well, including all kinds of tools to help you find the best rates on CDs, mortgages, etc. This is also a great place to go for the latest news on a company, plus earnings estimates and good charts. <http://moneycentral.msn.com/home.asp>

**CNN Money.** <http://money.cnn.com> is another good free internet site, with good charts, news, earnings estimates, etc. MSN Money is MUCH better on personal finance, though.

**Investext.** The premier source for Wall Street brokerage firm reports. Before you buy a stock, especially in a small or mid-sized company, it makes sense to get an idea what the analysts who follow the company think

about it. The only good way to do this is to research the stock through Investext. In Boston, Investext is available free (on-site only) at the Boston Public Library's Kirstein Business Branch, 20 City Hall Avenue. Monday–Thursday 8–5, Friday and Saturday 9–5. 617.523.0860; [www.bpl.org/research/kbbhome.htm](http://www.bpl.org/research/kbbhome.htm)

**Daily Graphs and Investors Business Daily.** For serious chart readers—or even amateurs, these are the easiest charts to read, but they are expensive. You can get the print edition of *Daily Graphs* free at the BPL Kirstein Business Branch. [www.investors.com](http://www.investors.com)

**Moody's.** How is an investment in a particular company? Moody's, one of several bond rating agencies, gives you free access to their ratings for the bonds issued by most US (and some international) companies. Just register and you can then access ratings and lots of other information. [www.moodys.com](http://www.moodys.com)

**T. Rowe Price Monte Carlo Simulator.** Monte Carlo simulations are powerful mathematical programs that allow you to make predictions on the likelihood of possible financial outcomes under as many as 100,000 different scenarios. Financial planners use these simulations extensively and several brokers now offer these tools free of charge to account holders. T. Rowe Price recently posted a terrific simulator on their web site, along with excellent tutorials on how the program works, available free to anyone—you don't even need to register. <http://www3.troweprice.com/ric/RIC/>

**Re the web in general:** A great tool. Just be careful out there—not everything you read on the web is true and many prognosticators have an undisclosed conflict of interest. Anonymous stock chat rooms, even on reputable sites like MSN or CNN, are notorious for this and should be avoided. In the same vein are the hot tips from those ubiquitous stock newsletters and the spin doctors on MSNBC. If you heard it there, so did two million other people.

### Investing Theory and Practice: Advanced Reading

*A Random Walk Down Wall Street*, Burton G. Malkiel, Revised 8th Edition, W.W. Norton, 2003. Ground-breaking, essential reading. The best argument for indexing most of your portfolio, rather than trying to beat the market with go-go funds and hot stocks. Witty, well written—and right!

*Stocks for the Long Run*, 3rd edition. Jeremy J. Siegel. McGraw Hill, 2002. Superb analysis of successful investing techniques, with tons of good historical data and discussion of why markets act the way they do.

*One Up on Wall Street*. Peter Lynch with John Rothchild, Fireside, 1989 with new introduction in 2000. Delightful, very helpful and readable book from one of the worlds great investors—a real insiders look at Wall Street and why the individual investor can and often does outperform the pros. If you invest in individual stocks, don't miss this book!

*The Little Book of Common Sense Investing*, by Vanguard founder John Bogle, is a good introduction to the benefits of index investing. (You can get a taste of Bogle's approach in an op-ed that ran in the *Wall Street Journal* in March of 2006 at <http://johncbogle.com/wordpress/2006/03/15/the-emperors-new-mutual-funds-the-wall-street-journal-july-8-2003/#more-45>)

*Warren Buffett Portfolio: Mastering the Power of the Focus Investment Strategy*. Robert Hagstrom. John Wiley & Sons, 1999. A classic from the world's greatest value investor.

*How to Make Money in Stocks: A Winning System in Good Times or Bad*, 3rd edition. William J. O'Neil. McGraw Hill 2002. A terrific introduction to technical analysis and trading from the founder of *Investor's Business Daily*. Comes free with subscription and is worth reading even if you are a long-term investor.

## Financial Planning

*The Millionaire Next Door: The Surprising Secrets of America's Wealthy* by Thomas J. Stanley. If you think you know which of your friends has money and which knows how to manage it, read this book before you take their advice. If you and your family have trouble staying on track with saving and investing, if you find yourself constantly tempted to outspend your means, learn from the wisdom of the many wealthy individuals profiled in this illuminating study.

*Getting An Investing Game Plan* by Vern C. Hayden, CFP, a veteran financial planner with 20 years experience. Hayden's down-to-earth, methodical approach to investing and financial planning puts this book on many "top ten" lists.

*The Complete Idiot's Guide to Savvy Investing*, 2nd edition. Edward Koch and Debra deSalvo. Alpha, 2003. Good basic introduction to financial planning.

## Basics Guides to Wall Street Terminology

*CNBC Guide to Money and Markets*. CNBC and Jeff Wuorio, John Wiley, 2002. With nice graphics on how stock and bond markets work. Only so-so advice on finance.

*The Wall Street Journal Guide to Understanding Money and Investing*. Kenneth Morris and Virginia Morris. The Wall Street Journal. Super little book with great illustrations on all sorts of esoterica—like how the Federal Reserve works, how to read financial tables, what all those indicators like the CPI mean.

## Accounting and Financial Analysis

*Essentials of Financial Analysis*. George T. Friedlob, Lydia L.F. Schleifler, John Wiley, 2003. Very clear, helpful basic accounting book, with emphasis on the real world problems investors have trying to assess a company.

*Understanding Financial Statements*, 8th edition. Lyn M. Fraser, Aileen Orniston. Pearson Prentice Hall, 2006. Very up-to-date, readable, though not "light reading." It will give you a very solid grounding in analyzing company financials.

Revised 9.29.07