



selecting mutual funds answer key



directions

For each of the investment situations below, select the type of mutual fund that would be most appropriate from this list:

Balanced Fund

Income Fund

Global Bond Fund

Industry Fund

Global Stock Fund

Municipal Bond Fund

Growth Fund

Regional Stock Fund

1. A person wants an international mutual fund without the risks associated with stocks.
Global Bond Fund
2. An investor wants tax-exempt income from investments.
Municipal Bond Fund
3. An investor is interested in investing in health care stocks.
Industry Fund
4. A person wants to invest in stocks from around the world.
Global Stock Fund
5. A person is interested in long-term growth for future financial security.
Growth Fund
6. An investor seeks to buy stock in companies located in Europe.
Regional Stock Fund
7. A retired person desires investment earnings to provide for current living expenses.
Income Fund
8. A person wants to invest in a blend of stocks and bonds.
Balanced Fund
9. An investor wants to invest in debt instruments issued by state and local governments.
Municipal Bond Fund
10. A person expects growth of companies in Latin America.
Regional Stock Fund