



## Investment Spotlight

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### Reduce Volatility With a Systematic Investment Plan

Many investors would like to participate more actively in the financial markets, but they are not sure when it is "the right time" to invest. Then, even though they think the time is right, it may not be convenient.

If today's fluctuating market prices may have caused you to invest high and sell low, a systematic investment plan can help take the guesswork out of investing and make it more convenient, too.

When you establish a systematic investment plan, you make regular contributions (usually monthly or quarterly) of a set amount into the investment(s) of your choice. Often, mutual funds are ideal for this type of program, because of their low minimum investment requirements. A systematic investment plan can bring two benefits:

#### 1. Building Wealth

A systematic investment plan is a disciplined long-term strategy that could help you build your investment over time so that you may enjoy the compounding power of an increasing investment base.

It is unrealistic for many individuals to invest a large sum, such as

\$100,000, all at once. Investing a smaller amount, however, and adding to it regularly still allows you to take advantage of the market's growth potential. Because the dividends and capital gains produced by mutual funds' underlying securities are paid out in proportion to the number of shares owned, shareholders who invest several hundred dollars get the same return per dollar as those who invest hundreds of thousands of dollars. The total value of any earnings, of course, will continue to grow as you invest more.

#### 2. Reducing Volatility

Systematic investing helps reduce the possibility of making a lump-sum investment at the wrong time—when the price is high. Smaller regular monthly or quarterly investments give you a lower average cost per share over the long term—a concept called *dollar-cost-averaging*. The example in the table, which does not represent actual performance, illustrates how dollar-cost-averaging can help turn a fluctuating market into an advantage.

Monthly Investment	Share Price	Shares Acquired
\$500	\$10	50
\$500	\$ 5	100
<u>\$500</u>	<u>\$10</u>	<u>50</u>
<b>Total</b>	<b>\$1,500</b>	<b>200</b>

Average cost per share: \$7.50 (\$1,500 invested, divided by 200 shares acquired)

Average price per share: \$8.33 (\$25 divided by 3)

You can see how a systematic investment plan may help you reduce volatility by smoothing out the market's highs and lows, and also help you work toward your long-term goals. Because a systematic investment plan involves continuous investment throughout periods of fluctuating price levels, you should consider your financial ability to meet your systematic investment schedule before you decide to participate. While no formula can protect against losses in declining markets or assure profits, systematic investing can be a valuable part of your overall investment strategy.

The time to invest is when you have ready assets. Determine how much you can afford to invest monthly or quarterly, and dedicate those dollars to a systematic investment plan. P&SF

## World Literature Review

Continued from page 49

"Preparation of Semiconductor Particles: Metal Composite Films Using Electroless Plating Methods & Their Photo-electrochemical Properties," T. Iwagishi, S. Yae & H. Matsuda

#### Printed Circuit Technology

"Status & Issues of Copper Film Deposition Technologies for Scaled-down

Cu Interconnection," K. Ueno  
"Copper Deposition System for Sub-micron Patterning," K. Taniguchi  
"Prospects of Copper Plating Systems for Ultra-large-scale Integrated Circuits," H. Nawafune  
"Investigation of Ion Migration Processes on Printed Circuit Board by Quartz Crystal Microbalance," S. Yoshihara

#### FAX Numbers (when calling from U.S.)

<i>GALVANO</i>	<b>011-33-01-30-45-90-50</b>
<i>Galvanotechnik</i>	<b>011-49-75 81-1756</b>
<i>Hyomen Gijutsu</i>	<b>011-81-3-3252-3288</b>
<i>Metalloberfläche</i>	<b>011-49-75 81-1756</b>
<i>SURFACES</i>	<b>011-33-01-43-47-30-80</b>
<i>Trans. of the IMF</i>	<b>011-44-0121-666-6316</b>