

# Financial Wellness Newsletter

## START THE YEAR STRONG BY ESTABLISHING HEALTHY FINANCIAL HABITS!

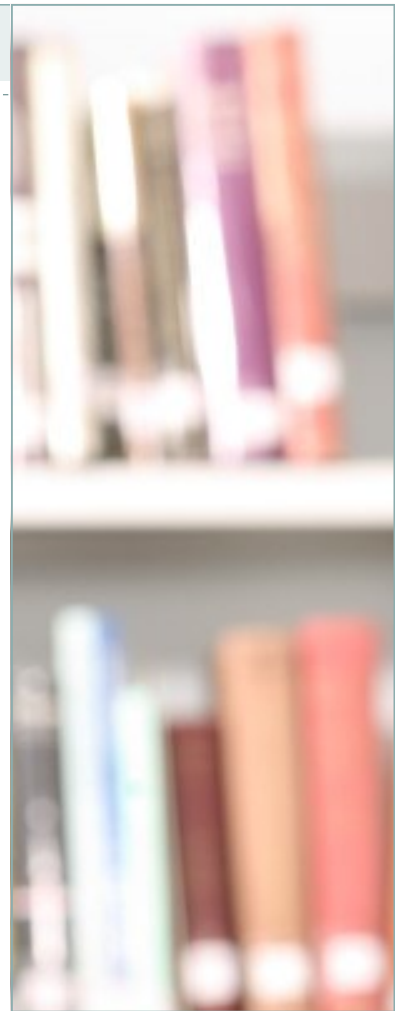
A quick internet search for the top New Year’s resolutions will bring up many that are financially related. They range from save more, create a personal budget, pay off credit cards, improve credit scores, start an emergency fund, and many variations of those just listed. One resolution I found on a top 10 New Year’s resolution list was “learn better investing habits”. One of our partners, EVERFI from Blackbaud, recently released a new playlist, Investor Education, which includes courses such as “Getting Started with Investing”, “Introduction to the Stock Market”, Understanding your Investment Risk Profile”, “Introduction to Compound Growth and the Time Value of Money” and “Introduction to Blockchain, Cryptocurrency, and NFTs”. Each topic ranges from 3-6 minutes in length. Log in to the member only section of our website at [www.connexusassociation.org](http://www.connexusassociation.org) to browse the topics in more detail or find a complete list of topics. In this Investor Education playlist, EVERFI also included an article that we’d like to share to help you start out the New Year:

### ONLINE INVESTMENT TOOLS & APPLICATIONS:

#### GETTING STARTED

Your investing journey starts with your intellectual curiosity. Soon, you’ll find yourself digging into the details of the many different investment securities, tools, and applications. It won’t take long until your money works for you just as hard as you did to earn it.

Let’s look at how to get started with investing tools and technologies that will expand your financial egg nest and set the stage for your rewards.



#### INSIDE THIS ISSUE

An Explanation of Trading Applications and Their Potential Pitfalls

.....2

Investing Tools and Technologies

.....2

Investing Tools and Technologies continued

.....3

Deregulated Exchanges .....3

Micro-investing .....3

Portfolio Analysis, Rebalancing, and Other Automated Tools

.....4

#### SPECIAL POINTS OF INTEREST

- 2022 Treasurer’s Report

## 2022 TREASURER'S REPORT

Connexus Association donated \$172,415\* during 2022. A list of all individuals or organizations that benefited from Connexus Association during 2022 are listed below:

- ◆ Wausau School District
- ◆ NTC Foundation
- ◆ DC Everest Public Schools
- ◆ Aspirus Health Foundation
- ◆ Junior Achievement Central WI (Wausau and Merrill)
- ◆ Lincoln High School
- ◆ Stem Scouts
- ◆ WATEA
- ◆ Horace Mann Eagle Market
- ◆ Mid-State Technical College
- ◆ Stevens Point Area Schools
- ◆ Junior Achievement of Wood and Portage Counties
- ◆ Breakfast Optimists
- ◆ Portage County Literacy Council
- ◆ MS Walk
- ◆ Women's Community
- ◆ Monk Botanical Gardens
- ◆ WI Valley Lutheran High School
- ◆ Northland Lutheran High School
- ◆ Newman Catholic Schools
- ◆ Assumption High School
- ◆ Pacelli Schools
- ◆ Wisconsin Institute for Public Policy & Service (WIPPS)
- ◆ Paige Bootz Memorial Scholarship
- ◆ Kids Voting (Wausau Leadership)
- ◆ United Way of Marathon County
- ◆ Big Brothers/Big Sisters
- ◆ Junior Achievement of the Upper Midwest
- ◆ Heart of Wisconsin/ Teen Leadership
- ◆ Wausau Conservatory of Music
- ◆ UW Wausau Campus
- ◆ Boy Scouts of America
- ◆ Junior Achievement of OKI Partners
- ◆ United Way of South Wood & Adams Counties
- ◆ Maine Lions
- ◆ Wausau Community Theater
- ◆ Charles & JoAnn Lester Library
- ◆ Camp Hope
- ◆ The Greater Wausau FFA Alumni
- ◆ Community Matters
- ◆ WINGS
- ◆ Humane Society of Marathon County
- ◆ Texas Lions

\*Connexus Association year-end financial information has not yet been reviewed by our outside auditor and final numbers may change.

## AN EXPLANATION OF TRADING APPLICATIONS AND THEIR POTENTIAL PITFALLS

Though trading applications make it easy to invest, newbie investors should be cautious about using these trading apps. These apps have the potential to become addictive. Daytime trading stocks on your smartphone trading app should not be your primary means of income. Don't lose sight of the overarching goal of building long-term wealth through a buy-and-hold investing strategy.

Moreover, trading apps are designed to upsell additional products, including margin trading. When you trade on margin, you borrow the money you do not have from the broker and use it as "dry powder" for investing. It would be helpful when new opportunities arise that you otherwise would not have the necessary funds to take advantage of.

Every newbie investor should recognize that trading stocks and other securities is inherently complex. It is a mistake to trade at a high frequency or trade on margin when first starting out. Trading apps also set the stage for trading complicated options such as puts and calls. Though you might eventually trade options at some point down the line, you should learn the ropes of basic investing before graduating to options trading. When in doubt, abide by the tried-and-true investing ethos of buying-and-holding for the long haul.

## INVESTING TOOLS AND TECHNOLOGIES

Embracing the investment industry's advanced technology allows you to purchase securities with the ever-growing investment tools and applications and develop a diversified portfolio. However, the sheer number of investment tools and applications has the potential to overwhelm you with plenty of information.

### Benefits of automated investing tools

If you don't want to spend your time researching individual stocks, choose an automated investing tool that invests your savings into stocks, mutual funds, exchange-traded funds (ETFs), and other securities based on your preferences and requirements. While you continue adding money to your account, the automated investing tool will diversify your investment on your behalf. Those looking for more control over their investment are encouraged to use at least two stock trading applications during market hours—one will serve as a backup if the other suffers an outage.

### Diversify your portfolio

Select stocks, ETFs, and mutual funds that align with your investment goals. Also, diversify your investing dollars across industries, niches, and risk levels. You'll have a securities portfolio of your own in as little as a day. Be mindful of your options for purchasing securities when using investment tools and apps.

## INVESTING TOOLS AND TECHNOLOGIES CONTINUED

### Know your options

You can buy stocks and other securities with a “market” order at their current trading price. Alternatively, a “limit” order acquires the stock or other security at a specific price. The advantage of investing in securities with a market order is it ensures you establish a position. If you use a limit order, there is no guarantee the order would be filled as the price of the security might not fall into your selected price point.

Note that you can only purchase over-the-counter (OTC) stocks with limited orders. Furthermore, each brokerage will charge a fee for buying and selling OTC stocks, referred to as a trading commission. You will likely pay a \$5 to \$10 commission to buy and sell shares of an OTC stock.

## DEREGULATED EXCHANGES

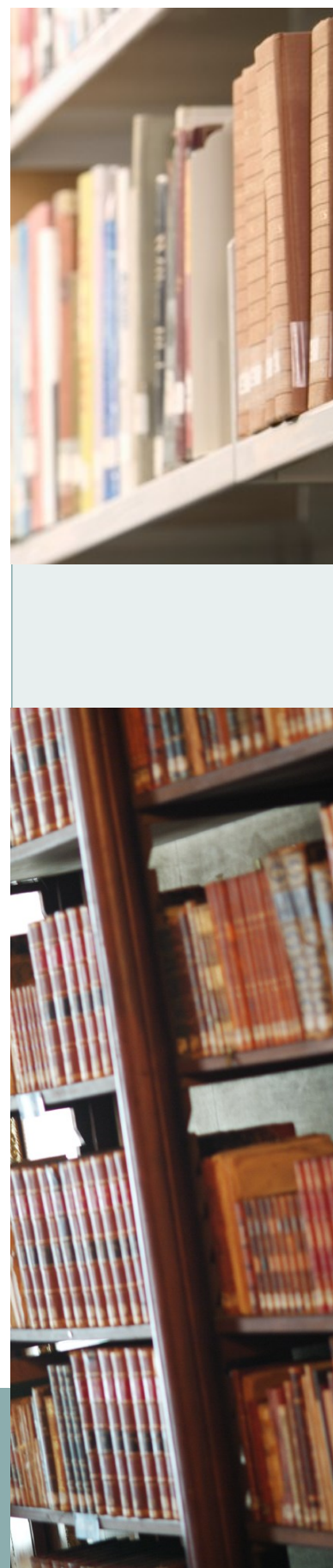
Deregulated exchanges have minimal or even no oversight from government agencies and regulators. For example, cryptocurrency trading markets have minimal oversight, making them somewhat akin to the Wild West of investing. There is an inherent level of risk to investing in cryptocurrencies or other securities available through deregulated exchanges simply because few rules and guidelines must be followed when buying and selling stores of value.

However, this is not to say there aren't money-making opportunities in deregulated exchanges. Invest a small percentage of your savings into securities on deregulated exchanges. You might generate a substantial return, potentially in a comparably short time.

## MICRO-INVESTING

If you don't have much money saved or you are primarily interested in investing in publicly traded stocks with large market caps, consider the merits of micro-investing. Micro-investing is investing in fractional shares of stocks, most of which are priced higher than other securities. Micro-investing is a somewhat broad and overarching term. It also refers to saving and investing small amounts of money into securities as time progresses.

When you micro-invest your money in fractional shares of stock, mutual funds, or ETFs, that money is likely to gradually increase in value across posterity. Micro-investing is becoming more popular each day, especially among younger investors. It offers an opportunity to establish an ownership stake in some of the world's top companies, albeit fractional share ownership.



## CONNEXUS

### ASSOCIATION

The primary purpose of Connexus Association is to provide scholarships for education, to assist educational institutions and to provide financial literacy education to help borrowers and savers reach their financial goals. Members of the Connexus Association consist of organizations or individuals who pay dues. Dues will be \$5.00 and will allow membership for two years. Members may renew their membership every two years with dues of \$5.00.

Please contact us with questions.

## PORTFOLIO ANALYSIS, REBALANCING, AND OTHER AUTOMATED TOOLS

Various online investing tools and applications are also available to manage your investing dollars after establishing positions. Apps and software such as Quicken Premier track the entirety of your investing activity in your trading account. Use these tools to analyze your portfolio's holdings, and rebalance when necessary to diversify your risk, types of investments, industries, and more.

Rebalancing your portfolio is much easier with the use of a robo-advisor. This virtual investment advising tool uses algorithms to crunch the numbers and other data on your behalf without relying on subjective human guidance. Opt for the advice provided by a robo-advisor. It will provide investing suggestions and services tailored to your investment goals, preferences, and requirements.

Though robo-advisors typically have fees, they provide fully customized investing recommendations and do not require a sizable minimum balance. Your robo-advisor will continue to automatically rebalance your portfolio on your behalf, following your specifications.

Connexus Association

PO Box 2054  
Wausau WI 54401-2054

E-mail: [info@connexusassociation.org](mailto:info@connexusassociation.org)

PLEASE  
PLACE  
STAMP  
HERE

Mailing Address Line 1  
Mailing Address Line 2  
Mailing Address Line 3  
Mailing Address Line 4  
Mailing Address Line 5

