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## **How Investment Groups Can Give You The Inside Edge, And Where To Find Them**

**Dan Eggertsen:** Hi, I'd like to welcome everyone to the call. This is Dan Eggertsen. I'm here with my father, Karl Eggertsen. How you doing today Dad?

**Karl Eggertsen:** Doing good Dan.

**Dan Eggertsen:** Hey good. Well we are going to cover some questions that we've been getting and we've been getting quite a bit of them on investment groups. So what I've done Dad is I've taken some time to go through and put all these questions, summarized them into three main questions we see over and over again. So we're going to jump right in for everyone and get these answered for them right away. The first question Dad is, "Are there investment groups I can join to help me learn how to invest my money?"

**Karl Eggertsen:** Yes there are Dan. There're a number of them. Two that are among the most prominent out there and highly respected and reputable are, one goes by the name of The American Association of Individual Investors. It's a national independent non-profit organization and it's organized entirely to educate and help individual investors build wealth smartly.

**Dan Eggertsen:** Is this in a variety of cities or just one area of the country?

**Karl Eggertsen:** Its headquarters are in Chicago and it has chapters of the association in major cities around the country.

**Dan Eggertsen:** Oh great.

**Karl Eggertsen:** Okay. We have one here in Santa Barbara, Ventura, California and there's one in Los Angeles and then there's one back in New York, and several in New York I think and Florida and other states but they're all over the country. They have a monthly magazine. The contributors to the magazine, the writers to the magazine are well respected experts from around the country.

They have investment educational conferences and programs all over the country. They have an excellent website with a variety of software tools and educational programs. So it's been around quite a while. Its website is AAI.com and its phone number is 312-280-0170.

**Dan Eggertsen:** Okay.

**Karl Eggertsen:** Okay? Another one that is a very good one, been around for about 50 years is the National Association of Investors Corporation, NAIC. It's an umbrella group for investment clubs that are located in cities around the country. Whereas the American Association of Individual Investors provides an overall approach to investment education, the NAIC focuses pretty much on stock selection, you know on stock picking.

**Dan Eggertsen:** Right.

[02:47.6]

**Karl Eggertsen:** They don't have any allegiance to any other organization or whatever. They are totally independent and they have been again, very active and around for a long time. They have investment groups. People get together and they work together to find companies according to the guidelines of NAIC. They have a monthly newsletter. They have also educational documents providing guidelines in how to select good companies and stocks and they have a website with tools and software. Their website is [www.Better-Investing.org](http://www.Better-Investing.org).

**Dan Eggertsen:** Okay.

**Karl Eggertsen:** And its phone number is 877-275-6242.

**Dan Eggertsen:** Okay.

**Karl Eggertsen:** So that pretty well covers two of the most prominent organizations out there that are very reputable.

**Dan Eggertsen:** Right.

**Karl Eggertsen:** They come well recommended by all types of investment organizations, New York Times and major publications like Business Week and others. Forbes has recommended these organizations at various times.

**Dan Eggertsen:** Now does one need to be careful about some of these investment groups or is this something you need to screen the investing groups that you find beyond these two? Is this something you need to look out for or are there warning sign like you shouldn't join certain ones or is it you're pretty much going to get some good information no matter what investment group you turn to?

**Karl Eggertsen:** Well no. You have to be careful any time that you get involved with an organization especially when money's involved. Okay? So you want to stick with well-known reputable organizations such as the two I just mentioned and you want to, it's very important to see how long they've been around, what they're offering. Really the key is to look for an educational organization.

One that's non-profit is also a good indicator. One that is non-profit and they're officially recognized as such, and focusing on education. Their duration, you can check with some of the major organizations that control, try to regulate and control organizations such as this. Key things to look out for or avoid anything that sounds too good to be true.

Any words like, "Risk free, Get rich quick" talk you know which is hard to believe. Profits in a short period of time, asking for your money to invest for you; that is a real caution there. Don't ever give anybody your money to invest for you. You keep it in a Charles Schwab or Vanguard or Fidelity brokerage. You don't ever give your money out to others to invest for you with promises of riches.

[06:26.1]

**Dan Eggertsen:** You don't want to fall prey to another Madoff.

**Karl Eggertsen:** No. If you feel pressured to invest in something that you're not comfortable with - anytime you feel pressured to invest period, whether you're comfortable or not, watch out. Words like, "Limited offering, You've got to do this quick because everybody else is jumping in, there's not going to be any, if you don't act quickly you know it's going to be too late."

You have to watch out for that type of stuff. So that's - and insider information like, "Hey we have some inside information if you invest in this now you're going to make beaucoup dollars." Any of that kind of stuff, it's common sense but those are the cautions. Yes you need to be very careful. Stick with highly regarded, well-known, highly recommended organization like the two that I mentioned.

**Dan Eggertsen:** Okay. Great Dad. Let's move on to question number two. I think actually I asked a follow up question that covers this, "Do I need to be careful before joining an investment group? What should I look out for?" So you've basically covered that unless there's anything else you wanted to add. You do need to be careful, you do need to screen these out, look out for the get rich talk, and make sure they're reputable companies that have been around for a long time. Those are basically the key things you want to look out for. Did I get everything there?

**Karl Eggertsen:** Yeah I think you did. You summarized it pretty good Dan.

**Dan Eggertsen:** Okay Dad. So let's move on to the third question here which is, "Do you recommend any investment groups or Internet forums that can help me?" So you've covered the two big ones. Is there any other resources? Not necessarily groups, could be more groups but any more resources, or Internet resources, or newsletters that you personally have used or that you know that give quality information that can help these investors?

**Karl Eggertsen:** Well I mentioned the two that are very prominent that are non-profit and focused entirely on education. There're two others and there's others but I'm going to give two more here that are very reputable, a lot to be learned, they have a lot of very good information to help the individual investor and they're very credible.

Morningstar, everybody hears about the five stars and the four stars. They are quoted all the time when it comes to ratings, for sure when it comes to stocks and mutual funds and exchange-traded funds. Morningstar provides educational articles and materials as well as providing ratings among the different asset, type of investments and mutual funds and individual stocks.

They are really superior in that. I've used Morningstar for a long time and it is one of my key references to get information to help me invest and to keep me on top of the latest and also continue to educate me as the investing world evolves.

**Dan Eggertsen:** Right.  
[09:38.2]

**Karl Eggertsen:** Another one is CBSMarketWatch.com. I receive over the Internet all the time excellent articles and up to date information on the investing markets from all standpoints. Anything you want to learn about regarding investing or personal finance or anything, CBS Market Watch I have found to be excellent.

**Dan Eggertsen:** Right.

**Karl Eggertsen:** They have excellent writers and they really keep you up and daily I receive emails that many of them I find very useful to help me keep up to speed and continue to educate me. We all need to keep learning because the world never stops changing and you have to keep up with everything.

Now the investing principles, basic investing principles, they stay the same pretty much but it's the types of investments, the various vehicles that you can use in investing, and in the investing markets, and the global economies and markets continue to change. So we need to keep up and these are all excellent vehicles, the AAII, the NAIC, Morningstar, CBS Market Watch are four excellent ones.

There're others but you just got to be careful. Anything that doesn't feel right, double check on it before you get involved with anything and start following anything and getting involved with any other organization, you really need to be careful. If you are you'll be fine.

**Dan Eggertsen:** Yeah right. We've got a minute or so left and out of my own curiosity, I do come over quite a bit, we have lunch and stuff and I see you reading the Kiplinger Letter and I just was wondering who that's for and who that can really benefit and what is in that letter. I've just been curious because I've never really read it a whole lot myself.

**Karl Eggertsen:** Well Kiplinger it basically an organization that provides very useful material, anything to do with money, managing your financial life. Kiplinger is another good source. That's a fifth one I could have mentioned. Kiplinger.com, they have a great website. They have various newsletters. One is a national newsletter. It keeps you up to speed on what's happening, in fact even around the world. It's called just the Kiplinger Letter. It's really US and global.

They keep you up to speed on, for a businessman or investor, great information. They have a magazine, Kiplinger Personal Finance, excellent magazine. So they're another good resource. They have a California newsletter, they've got a retirement newsletter, and they've got a tax newsletter. They have a lot of excellent staff. They're based back in Washington DC and they keep up to speed on all the latest stuff that's going on and they're another good source for investment information.

**Dan Eggertsen:** Right.

**Karl Eggertsen:** Okay?

[13:01.5]

**Dan Eggertsen:** Well fantastic Dad. Thanks so much for your time today. Thank you everyone for being on the call. This is great information and we're giving it away to you for free so I hope you all enjoy it. Have a great day Dad, and I will talk to you again next time.

**Karl Eggertsen:** Okay Dan.

**Dan Eggertsen:** Thanks a lot.

**Karl Eggertsen:** Okay bye.

**Dan Eggertsen:** Bye. All right Dad good job.

**Karl Eggertsen:** Okay.

**Dan Eggertsen:** So we can maybe wrap...

[13:22.6]