



YOUNG INVESTORS

2nd Quarter 2007 Newsletter



BECOMING AN...

Informed Investor

Today's Topic:
Managing Volatility



Investing involves some degree of risk. The amount of risk you are willing to take with your investment is usually related to return, as well as volatility.

Generally, the higher the risk, the greater the short-term volatility, or chance of losing money, on a particular investment. Volatility is the increase or decrease in an asset's price over time. High volatility means wide price changes that happen in a short period of time, while low volatility refers to smaller, slower changes in price over time.



A long-term investment horizon can help you to

better handle a short-term period of high volatility because you have no current need for the money.

For example, if you're saving for a new computer and your time horizon is less than one-year, a low risk, or less volatile investment would be appropriate. On the other hand, when saving for a new car or a home, you have a longer investment horizon to reach your goal, allowing room for some short-term volatility.



Generally, the shorter the investment time horizon, the less risk one should take to reach a goal. For a longer period of time, a higher return can be assumed as you have more time to allow your money to work for you.

WOW!

THINGS TO KNOW...

COOL!

-If you had 10 billion \$1 notes and spent one every second of every day, it would require 317 years for you to go broke.



-The average life of a \$20 bill is 4 years.

-One of the ways the Federal Reserve detects counterfeit bills is to check the iron content of the ink.



Online Challenge

Win!

www.monetta.com

*Tim from Denver, NC is last quarter's Online Challenge winner of an Apple® iPod™ Shuffle

Visit Monetta's website and click on the "Online Challenge" button for your chance to win this quarter's prize:
AK Designs Rocking Gaming Chair



Eligible for Monetta Shareholders

Laughing Studio

Ha Ha Ha Ha Ha

Q. Who do fish borrow money from?

A. The loan shark.



Q. Why did the baker rob the bank?

A. He needed dough.

Q. Why is a river rich?

A. Because it has two banks.



COMPANY SPOTLIGHT

THE HOME DEPOT



The Home Depot created nearly 20,000 net new jobs in 2005.



More than 22 million people visit a Home Depot store each week.



More than 500,000 children have built their first toolbox at a Home Depot Kids Workshop.



The Home Depot is the world's leading employer of Olympic and Paralympic athletes and hopefuls.

GAME STUDIO

Solve the puzzle and qualify to win this quarter's prize: 50 State Quarter Folder

T	N	O	I	T	A	L	U	C	L	A	C
H	A	E	G	R	N	E	A	T	T	E	V
R	T	L	H	R	E	I	N	S	V	E	O
S	T	M	U	E	N	T	R	E	E	T	L
U	R	T	N	M	R	T	H	V	E	H	A
I	E	G	H	E	R	U	R	N	T	H	T
R	E	R	I	I	S	O	L	I	K	O	I
F	L	O	S	S	I	N	F	E	G	M	L
O	N	K	E	Y	T	F	J	R	V	B	I
N	O	I	T	A	M	I	T	S	E	Y	T
D	A	S	S	U	M	P	T	I	O	N	Y
T	E	X	P	E	C	T	A	T	I	O	N

Objective: Find the words in the grid. When you are done, the unused letters in the grid will spell out a hidden message. Pick them out from left to right, top line to bottom line. To qualify for a prize, follow the instructions below.

Word Search

-ASSUMPTION -CALCULATION -ESTIMATION
 -EXPECTATION -FORMULA -REINVEST -RETURN
 -RISK -RULE -VOLATILITY

Hidden Message: How does risk relate to return?

How to qualify: Either mail or e-mail the hidden message with your name and address to Monetta at 1776-A South Naperville Road, Suite 100, Wheaton, IL 60187 or to: info@monetta.com. Fifty winners will be drawn randomly, entries must be received by June 15, 2007.