

STUDENT ACTIVITY**Chapter 9****Internet Connection
Brokerage Firms****EXPLORE**

Brokerage firms offer a wide range of services at varied prices. Before choosing a broker, investors should investigate the different services offered by full-service, online, and discount firms.

Keywords: _____

DIRECTIONS

Using a search engine like Excite or Lycos, locate a broker ranking or broker rating survey on the Internet. Complete the worksheet below and answer the questions that follow.

NET RESULTS

List survey title, Web site name, and Web address.

What types of features or criteria were used to rate each brokerage firm?

Does the survey rate full-service, online, and discount brokerage firms?

What brokerage firm was rated number one?

Why was this firm rated number one?

What fees and/or commissions are charged for stock purchases or trades by the number one firm?

CRITICAL THINKING QUESTIONS

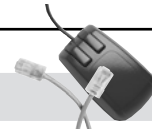


1. If you are a first-time investor, what features or services might be most important when choosing a brokerage firm? Why?

2. Many investors choose to deal with their brokerage firm for stock purchases and trades using e-mail and online trading services only. What advantages can you identify to this method of trading?

3. Some investors choose to handle their stock portfolios themselves. They do not use the services of brokerage firms. Why would someone choose to use this method?

EXTENSION EXERCISE



Visit the site of the brokerage firm rated number one in your findings above. Prepare an oral presentation for the class and include the following information.

- What is the brokerage firm's name and Web site address.
- When was the firm founded?
- List the types of investor education information offered by the firm.
- List the investment products and services offered by the firm.
- Review the firm's customer service section. Describe the available options for communicating with the brokerage firm.

