

## Understanding Mutual Fund and Stock Investors

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### Abstract

This study investigated which factors influence mutual fund and stock ownership of households in the 2001 Survey of Consumer Finances. Outside of their retirement accounts, only 17.9% and 21.75% of households own mutual funds and stocks, respectively. The results of logistic regression showed that risk tolerance, education, age, race, income, and homeownership were influential for the likelihood of owning both mutual funds and stocks, but there were some differences in regard to age and education. Those who own stock were likely to be older and to have more education. Also, being self-employed influence owning stock, but not mutual funds. The results provide implications for educators and financial advisors.

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