

# Online Stock Account

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GOBANKINGRATES / June 22, 2015, 11:30 AM

## 5 investing fees beginners forget about

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### Expense ratios



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The expense ratio (for mutual funds, exchange-traded funds, closed-end funds) is essentially a convenience fee, said John Fowler, a certified financial planner and wealth manager at MSCM, in Dallas. This fee, also called a management fee, can include other fees, such as the 12b-1 fee.

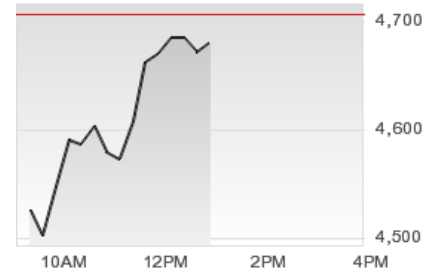
"Buying a mutual fund, ETF or closed-end fund helps you avoid these individual transactions, and therefore the fund company sees fit to charge you an expense ratio," he said.

The average expense ratio for open-end mutual funds was 0.71 percent in 2014, Morningstar.com calculated. This means that for every \$10,000 you invest you will pay \$71, Fowler said. To avoid this fee, consider index mutual funds or exchange-traded funds, which typically have lower expense ratios.

There are many investing fees, but by arming yourself with basic knowledge about investing and seeking out a qualified, trusted financial advisor or planner, you can move ahead with your saving and investing goals with confidence.

## Market Data

NASDAQ: Aug 24, 2015



Symbol	Last	Change	% Change
DOW	16,315.84	-143.91	-0.87%
NASDAQ	4,680.19	-25.85	-0.55%
S&P 500	1,949.79	-21.10	-1.07%

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