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Our second annual investing issue (due out in October) will feature Timothy Sykes, the Tulane student who made a small fortune trading small-cap stocks before starting his own hedge fund after graduation. Not everybody is a fan of Sykes. His critics argue that anyone could have made money during the stock market's surge in the late 90s. They also point at his hedge fund's weak performance so far.

But what I like about Sykes is that he's very candid about his past mistakes. Sykes does not hide the fact that his lack of discipline and inexperience caused him to lose thousands of dollars over the years. So I think young investors can learn as much from his failures as he's learned from his successes. I also believe that seeing the success of one of their peers could help serve as inspiration for other college-age investors. Wall Street's investment firms certainly aren't doing much now to promote young adult investing, especially if they're not business school students.

For example, Vanguard Group Chairman John Brennan recently advised college graduates on how important it was for them to participate in the markets. But when YOUNG MONEY talked to Vanguard's marketing department about what efforts the company was making to target Generation Y the staff there was completely unaware of Brennan's comments. They simply said that the company was not interested in reaching the young adult market at this time.

I guess that explains why Vanguard's minimum investment for a domestic stock fund is \$3,000. Very few college students are able to open an account given that requirement. But Vanguard is far from being the only major financial company intent on shutting out young investors. What makes this lack of interest on their part so mind boggling is the fact that the number of student investment clubs has exploded nationwide. There are more than 100 colleges and universities that offer investment programs which allow students to invest school funds into the stock market.

The good news is that not everybody is turning a deaf ear to this group. I was pleased to hear about the upcoming launch of a mutual fund targeting the 64 million Gen Y members. The GendeX Mutual Fund describes itself as being "developed and managed by young adult investors for young adult investors." I haven't researched the fund details yet but I love the concept. It's about time the financial marketplace recognizes that it is ignoring millions of potential investors. We'll be writing more about the GendeX fund in a future issue.

Meanwhile, I urge you to get started investing soon if you're not already doing so. Having youth on your side is a huge advantage when it comes to planning for the future. Don't waste this opportunity. Who knows? If things go well, you could even find yourself being featured in our special investing issue next year.

This entry was posted on Friday, August 31st, 2007 at 9:00 am by **Daniel** and is filed under [Generation Y](#), [Young investors](#).

Tags: [generation Y](#), [college investor](#), [student investing](#), [college student](#), [young adult](#), [mutual fund](#), [stock investing](#)

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One Response to “The financial marketplace will regret ignoring young investors”

1. [Jesse](#) Says:

[September 3rd, 2007 at 9:30 pm](#)

I agree with you 100% that young investors are being ignored in the marketplace. In fact my friend and I have started a company in order to educate high school kids on the business world. We have started a monthly newspaper that eduactes young investors, and explains things that most newspapers would assume you should know. I am telling you this because I see how popular your blog is and am hoping you can get the word out about bsquarednews.

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