
Annual survey of discounters provides a comparison of commissions charged for a range of trades, as well as services offered by the firms.

The 1996 Discount Broker Survey: A Guide to Commissions and Services

By Marie Swick and Jean Henrich

On-line trading appears to be the current competitive rage among discount brokers. The number of brokers offering these services has nearly doubled since last year. With just over 25% currently offering on-line trading, it is no longer the sole domain of the large firms.

Commissions, on the other hand, have remained steady, with little variation in the average since last year.

Information on the commissions charged for a range of trades, as well as services offered, is included in the *AII Journal's* annual survey of discount brokerage firms. This year's survey covers 84 firms that refer to themselves as discount firms.

The survey is designed to help individual investors spot the discount brokers that best meet their needs in terms of cost and services. To help make comparisons easier, the listing includes not only the dollar commission for a range of trades, but also the percentage of the transaction that the commission represents.

What does the listing cover?

Commissions

The stock commissions charged by discount brokerage firms vary widely not just by amount, but also by the way in which they are determined. For instance, some discounters' rates are based on the dollar value of the transaction, others' rates are based on the number of shares in the transaction, some use a combination, and some simply provide a table that lists the prices for various transactions without providing any formulas.

This makes generalized comparisons impossible, since certain firms will be cheaper for some kinds of trades, yet more expensive for others. To help overcome that problem, our listing presents three trades that cover a range of possibilities for the typical individual investor: a modest trade of a higher-priced stock (100 shares at \$50 per share, a \$5,000

transaction); a large trade (500 shares at \$50 per share, a \$25,000 transaction); and a modest trade of a low-priced stock (1,000 shares at \$5 per share, a \$5,000 transaction). Commissions charged by each broker for these trades are presented in total dollars and as a percentage of the total transaction.

The trades reflect commissions for exchange-listed stocks, although most of the firms charge the same rate for stocks traded over the counter; a few, however, do not. The minimum commission amount represents the minimum dollar amount charged for any stock trade by the firm.

At the bottom of the listing, we have indicated the average, the highest, and the lowest charges and percentages for each trade as a point of comparison.

The three transactions should give you some basis for comparing the various firms. However, certain discounts as well as additional charges by some firms may not be reflected in these particular examples. Examples of further discounts offered by a few firms include:

- Trades of a large number of shares, for instance over 1,000 shares per transaction.
- Trades of a large dollar volume. Several firms, in fact, offer special accounts for customers who consistently trade in large volume; these are noted in the listings by a double asterisk.
- Accounts in which frequent trades are consistently made.
- Trades made using a computer or touch-tone phone to place the order.

Examples of additional charges that may not be reflected in these examples include:

- Shares that are particularly low-priced, such as stocks selling for under \$5 a share.
- A small number of firms levy extra charges for odd lots (any number of shares less than 100—for instance, a sale of 553 shares consists of five round lots of 100, and an odd lot of 53 shares).
- A small number of firms (indicated by an asterisk in the listing) levy extra charges for non-market orders such as limit and stop orders (a market order is an order to buy or sell at the best price available at the time the order is received).
- Some brokers charge extra for special handling, such as

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transferring an account to or from another broker or registering certificates in the owner's name and mailing it to the owner. These charges are shown in the table under Handling Fees—a "t" after the fee designates an account transfer or termination fee and a "c" designates a fee for registering a stock certificate in the owner's name. Also, many brokers charge a fee for accounts that post no activity for a period of time. An inactive account charge is designated with an "i" in the table under Handling Fees. In the majority of cases, the fee is triggered after an account has been idle for one year.

Also, quoted spreads can vary widely between brokers at any given time. The spread is the difference between the bid (price at which you can sell) and ask (price at which you can buy).

Research and Other Services

Price isn't the sole consideration for most individual investors when selecting a discount broker. Other services provided by the firm are also important considerations.

All of the firms in the survey have SIPC coverage, which insures (through the Securities Investor Protection Corp.) the securities and cash in customer accounts up to a maximum of \$500,000 per customer. In addition, all but five of the firms in the survey have purchased additional protection for their customer accounts. The five firms without additional protection are designated by the symbol * after their names.

All but one of the firms in the survey offer self-directed Individual Retirement Accounts (Wall Street Equity does not offer IRAs). IRA accounts can have different minimums and fees than regular accounts at brokerages, so be sure to check the requirements when setting up an IRA.

Other services provided by discount brokerage firms vary, and in the listing we have included information on the most popular ones:

- **Research.** Some discounters offer research information and investment recommendations on various topics, such as the economy, business conditions, and specific companies. In the listing, we have divided research reports into two types: "Standard" denotes reports that are supplied to the firm by an outside source, such as Standard & Poor's or Value Line; "Custom" refers to reports that are researched in-house by the firm's own analysts. Some brokers subscribe to Wall Street by Fax, a program that provides standard reports to a firm's clients by fax machine. Brokers may charge for standard or custom research information; those that do are noted under the column labeled Research.
- **Interest on cash balances.** Most investors want assurance that any cash balances are earning interest. Most discount firms pay interest on these funds, although some will only pay interest on amounts above a certain minimum. A sweep account automatically invests cash balances (for instance, funds from the sale of shares) in an interest-bearing money market fund until those funds are reinvested. Money market funds usually pay a higher rate of interest than cash balance

accounts that simply earn interest. In the listings, we indicate if a brokerage firm offers a sweep account by the word "Sweep," followed by any minimum amounts required for such an arrangement (note that after this minimum is met, any additional cash, regardless of how small, is swept into the money market fund). If the firm does not offer a sweep account but pays interest on uninvested funds, we use the word "Interest," followed by the minimum amount upon which it pays interest, if a minimum applies.

- **No-load mutual funds.** Many discount firms offer no-load mutual funds for their customers; while many charge a fee for the transaction, some discounters offer a certain number of no-load funds at no charge to the customer. Investors interested in this service should request a list of the funds offered from the discounter, as well as the charges. We have indicated if the firm offers no-load mutual funds by the symbol "NLMF," and we note if a fee is charged on any mutual funds traded. [See "A Mutual Fund Investor's Guide to No-Transaction-Fee Discount Brokers," by John Markese in the September 1995 *AAII Journal* for more details on brokers that offer mutual funds.]
- **Dividend reinvestment:** Some discount brokers will allow an investor to automatically reinvest dividends through the firm; while many charge for this service, it is not at the standard rates (in which the minimum may apply). The average charge is \$2 for each dividend payment that is reinvested. If a firm offers this arrangement, we use the symbol "DRP," and we note if a fee is charged.
- **On-line trading.** Twenty-two discount brokerage firms offer on-line trading to customers with a computer and modem. Four of these—CompuTel, E*Trade, Freedom, and PC Financial Network—are primarily on-line businesses so that you must have a computer to trade with them. (They usually maintain touch-tone phone trading systems also.) A few firms even give discounts on their commissions to trades placed on-line. If a discounter offers an on-line service, we have indicated this by the word "On-Line." In addition, the accompanying box on page 11 provides more information on the on-line services offered.

Lastly, another concern to some investors is who clears trades for the broker. Some investors feel that firms that are able to clear trades without going to an outside clearinghouse may offer somewhat better execution of trades.

Additional Services

While we have listed the most popular services in our guide, there are many others offered by discount brokers. Some firms, for instance, have offices in many locations, a consideration for investors who want the reassurance of a local contact. Check with the firm for a list of branch-office locations if this is an important consideration to you. Most of the discount brokers listed here have 800 phone numbers, so that calls are toll-free regardless of where they are located.

Most discounters offer current market quotes, but several also have a 24-hour touch-tone telephone service that allows quick access to account information, market quotes and

AAII Guide to Discount Brokerage Firms

Telephone	Brokerage Firm	Commission						Min. Comm.	Handling Fees	Research	Other Services (see keys)
		100 Shares at \$50/Share		500 Shares at \$50/Share		1,000 Shares at \$5/Share					
		Total: \$5,000		Total: \$25,000		Total: \$5,000					
		as % of (\$)	Trade	as % of (\$)	Trade	as % of (\$)	Trade				
800/882-4887	AccuTrade*	31.00	0.62	110.00	0.44	67.00	1.34	31.00	\$25t	Standard (fee)	Interest (\$1,000); NLMF (fee)
800/882-4887	AccuTrade Direct Access	48.00	0.96	48.00	0.19	48.00	0.96	48.00	\$25t	Standard (fee)	Interest (\$1,000); NLMF (fee); On-Line
800/999-3699	Advisors Group, (The) [†]	50.00	1.00	155.00	0.62	80.00	1.60	45.00		Standard	Sweep; NLMF (fee)
800/221-5873	Andrew Peck	50.00	1.00	72.50	0.29	90.00	1.80	50.00			Sweep (\$1,000); DRP
800/328-4076	Arnold Securities	35.75	0.71	130.16	0.52	69.85	1.39	35.00			Interest (\$250); NLMF (fee); DRP (fee)
800/368-3668	Aufhauser (K.) & Co.	34.00	0.68	34.00	0.13	34.00	0.68	34.00	\$15c, \$25i	Custom	Sweep (\$100); NLMF (fee); On-Line
800/321-1640	Baker & Co.	40.00	0.80	80.00	0.32	55.00	1.10	40.00		Standard	Sweep; DRP
800/221-2111	Barry Murphy & Co.	32.50	0.65	62.50	0.25	60.00	1.20	25.00	\$50t, \$50i	Standard (fee)	Sweep (\$1,000); NLMF (fee); DRP
800/547-6337	Bidwell & Co.	28.00	0.56	60.00	0.24	60.00	1.20	20.00	\$10c	Standard (fee)	Sweep; NLMF (fee); DRP; Dir
800/822-2021	Brown & Co.	29.00	0.58	29.00	0.11	29.00	0.58	29.00	\$25c		Interest (\$1,001); On-Line; Dir
800/899-6878	Bruno, Stolze & Co.	45.00	0.90	130.00	0.52	75.00	1.50	35.00	\$25i	Standard	Sweep (\$1,000); NLMF (fee)
800/262-5800	Bull & Bear Securities	44.00	0.88	124.00	0.49	70.40	1.40	31.00		Standard	Sweep (\$10); NLMF (fee)
800/621-0392	Burke Christensen & Lewis	34.00	0.68	120.00	0.48	70.00	1.40	34.00	\$15c		Interest; DRP (fee); Dir
800/821-4800	Bush Burns Securities	35.00	0.70	35.00	0.14	35.00	0.70	35.00	\$50i		Interest (\$1,000); NLMF (fee); DRP
800/435-4000	Charles Schwab	55.00	1.10	155.00	0.62	90.00	1.80	39.00	\$15c	Custom (fee)	Sweep (\$1,000); NLMF (fee); DRP; On-Line; Dir
800/432-0327	CompuTel Securities	28.00	0.56	28.00	0.11	28.00	0.56	28.00		Standard (fee)	Sweep; NLMF (fee); DRP; On-Line
800/292-6637	Consolidated Financial	35.00	0.70	45.00	0.18	59.50	1.19	35.00		Standard	Sweep (\$500); DRP
800/222-0124	CoreStates Securities	82.50	1.65	167.50	0.67	82.50	1.65	50.00		Standard	Sweep (\$25); NLMF (fee)
813/586-3541	Downstate Discount	48.00	0.96	90.00	0.36	65.00	1.30	39.00		Standard	Sweep; NLMF (fee)
800/786-2575	E*Trade Securities	19.95	0.39	19.95	0.07	19.95	0.39	19.95	\$5c, \$20t		Sweep (\$100); On-Line
800/544-8666	Fidelity Brokerage Services	54.00	1.08	154.50	0.61	88.50	1.77	38.00	\$15c, \$30i	Standard (fee)	Sweep; NLMF (fee); DRP; On-Line; Dir
800/326-4434	*First Union Brokerage	45.00	0.90	140.00	0.56	90.00	1.80	40.00	\$15c, \$40i	Standard	Sweep
800/221-8210	Fleet Brokerage Securities	46.20	0.92	135.55	0.54	67.77	1.35	37.00		Standard (fee)	Sweep (\$500); NLMF (fee); Dir
800/221-1660	Freedom Investments ^{††}	25.00	0.50	25.00	0.10	25.00	0.50	25.00	\$50c, \$50t, \$25i	Standard (fee)	Interest (\$5,000); On-Line
800/729-7585	Freeman Welwood & Co.	45.00	0.90	145.00	0.58	70.00	1.40	34.00		Standard	Sweep (\$500); NLMF (fee); DRP (fee); Dir
800/247-3396	J.D. Seibert & Company	49.00	0.98	140.00	0.56	50.00	1.00	49.00		Standard	Sweep; DRP
800/233-3411	Jack White & Company	36.00	0.72	48.00	0.19	63.00	1.26	33.00	\$15c	Standard	Sweep (\$500); NLMF (fee); On-Line
800/252-0090	Kennedy, Cabot & Co.	33.00	0.66	33.00	0.13	53.00	1.06	33.00			Sweep (\$100); DRP
800/671-8505	Levitt & Levitt	35.00	0.70	35.00	0.14	35.00	0.70	35.00		Standard	Sweep (\$1,000); DRP (fee)
800/688-3462	Lombard Institutional	34.00	0.68	34.00	0.13	34.00	0.68	34.00		Standard (fee)	Sweep; NLMF; DRP; On-Line
800/221-3305	Marquette de Bary Co.	42.90	0.85	146.43	0.58	69.85	1.39	20.00	\$50t, \$50i	Standard	Sweep (\$1,000); DRP
800/729-9099	Marsh Block & Co.	33.86	0.67	50.00	0.20	50.00	1.00	25.00	\$50t	Standard	Sweep (\$1,000); NLMF (fee)
800/223-6642	Max Ule	57.00	1.14	195.00	0.78	70.00	1.40	35.00	\$40i	Both	Interest (\$1,001); DRP; On-Line; Dir
800/643-9663	Midwood Discount*	36.50	0.73	36.50	0.14	36.50	0.73	36.50			Sweep; NLMF (fee); On-Line
800/621-2627	Mongerson & Co.	35.00	0.70	95.00	0.38	66.00	1.32	30.00	\$15c	Both	Sweep; DRP (fee)
800/621-2627	Mongerson & Co. Premier**	35.00	0.70	65.00	0.26	90.00	1.80	35.00	\$15c	Both	Sweep; DRP (fee)
800/872-0711	Muriel Siebert "Share Rates"***	75.00	1.50	75.00	0.30	75.00	1.50	75.00		Standard (fee)	Sweep; NLMF (fee); On-Line
800/872-0711	Muriel Siebert "Value Rates"	45.00	0.90	113.00	0.45	57.00	1.14	37.50		Standard (fee)	Sweep; NLMF (fee); On-Line
800/888-3999	National Discount Brokers	33.00	0.66	33.00	0.13	33.00	0.66	33.00	\$25c, \$50i	Standard (fee)	Sweep; NLMF (fee); On-Line
800/872-6533	Olde Discount	40.00	0.80	100.00	0.40	52.50	1.05	20.00		Custom	Sweep (\$1,000); Dir
800/825-5723	PC Financial Net Frequent	40.00	0.80	105.00	0.42	45.00	0.90	40.00	\$15c	Custom	Sweep (\$500); NLMF (fee); On-Line; Dir
800/825-5723	PC Financial Network	40.00	0.80	140.00	0.56	60.00	1.20	40.00	\$15c	Custom	Sweep (\$500); NLMF (fee); On-Line; Dir
800/421-8395	Pacific Brokerage Services	25.00	0.50	25.00	0.10	25.00	0.50	25.00	\$35t	Standard	Interest (\$400); On-Line; Dir
800/772-4400	People's Securities	40.00	0.80	131.00	0.52	69.00	1.38	38.00		Standard	Sweep (\$5,000); DRP (fee)
800/444-5880	*Perelman-Carley & Assoc.	23.00	0.46	25.00	0.10	50.00	1.00	23.00			Interest; NLMF (fee); Dir
800/666-1440	Peremel & Co.	40.00	0.80	70.00	0.28	100.00	2.00	40.00	\$15c	Standard (fee)	Sweep; NLMF (fee); DRP
800/959-4554	Premier Discount	37.00	0.74	45.00	0.18	55.00	1.10	35.02			Interest (\$100); DRP (fee)
800/782-8871	Prestige Status, Inc.	28.95	0.57	28.95	0.11	28.95	0.57	28.95		Standard	Sweep (\$500)
800/672-7220	Quick & Reilly	49.00	0.98	119.50	0.47	60.50	1.21	37.50		Standard	Sweep; NLMF (fee); DRP; On-Line

AAII Guide to Discount Brokerage Firms

Telephone	Brokerage Firm	Commission						Min.	Handling Fees	Research	Other Services
		100 Shares at \$50/Share		500 Shares at \$50/Share		1,000 Shares at \$5/Share					
		Total: \$5,000		Total: \$25,000		Total: \$5,000					
		as % of (\$)	Trade	as % of (\$)	Trade	as % of (\$)	Trade				
(see keys)											
800/488-0090	R.J. Forbes Group, Inc.	35.00	0.70	35.00	0.14	35.00	0.70	35.00	\$35i		Sweep; NLMF (fee); DRP (fee)
800/328-8600	Recom Securities	39.00	0.78	163.00	0.65	75.00	1.50	35.00		Standard	Sweep (\$1,000); DRP (fee)
800/786-9000	Regal Discount	29.00	0.58	29.00	0.11	29.00	0.58	29.00	\$25t	Standard (fee)	Sweep (\$500); On-Line
800/488-5195	Royal Grimm & Davis	43.00	0.86	55.00	0.22	70.00	1.40	40.03		Standard	Sweep; DRP (fee); On-Line
718/448-2900	Russo Securities*	50.00	1.00	75.00	0.30	100.00	2.00	50.00		Standard	Sweep; DRP
800/619-7283	Scottsdale Sec Safekeeping	31.50	0.63	49.50	0.19	63.00	1.26	31.50	\$10c		Interest; Dir
800/619-7283	Scottsdale Sec Supersaver	50.00	1.00	50.00	0.20	50.00	1.00	50.00	\$10c		Interest; Dir
800/619-7283	Scottsdale Sec Trans & Ship	35.00	0.70	55.00	0.22	70.00	1.40	35.00			Interest; Dir
800/732-7678	Seaport Securities Corp.*	34.00	0.68	50.00	0.20	70.00	1.40	34.00		Standard	Sweep; NLMF (fee); DRP (fee)
800/327-3156	Securities Research	45.00	0.90	115.00	0.46	95.00	1.90	35.00	\$15c	Standard	Sweep (\$100); NLMF (fee); DRP (fee)
800/221-4242	Shearman, Ralston	40.00	0.80	110.00	0.44	106.00	2.12	40.00	\$100i	Standard	Sweep (\$100); NLMF (fee); DRP (fee)
800/222-5520	Sherry Bruce's State Disc	35.00	0.70	45.00	0.18	70.00	1.40	35.00		Standard	Sweep; NLMF (fee); DRP (fee)
800/327-1536	Shochet Securities	65.00	1.30	152.00	0.60	97.00	1.94	40.00		Standard	Sweep; DRP
800/476-3738	Southern Financial Group†††	58.00	1.16	163.00	0.65	83.00	1.66	43.00		Standard	Sweep (\$100); DRP (fee)
800/726-7401	St. Louis Discount*	40.00	0.80	67.00	0.26	65.40	1.30	40.00		Standard	Interest
800/222-5520	State Discount	35.00	0.70	45.00	0.18	70.00	1.40	35.00		Standard	Sweep; NLMF (fee); DRP (fee)
800/782-1522	Sterling Investment	45.00	0.90	124.50	0.49	69.50	1.39	40.00		Standard	Sweep; NLMF (fee)
800/421-6563	Stock Mart (The)	35.75	0.71	162.70	0.65	62.87	1.25	30.00	\$50i	Standard	Sweep; DRP
415/853-0817	StockBridge Partners, Inc.	45.00	0.90	85.00	0.34	135.00	2.70	35.10		Standard	Sweep
800/225-6196	★StockCross*	33.50	0.67	67.50	0.27	110.00	2.20	25.09	(amt. varies)t		Interest (\$3,001); Dir
800/334-7481	★Sweeney Cartwright & Co.	67.50	1.35	112.50	0.45	67.50	1.35	37.00		Standard	Sweep; Dir
800/638-5660	T. Rowe Price Discount	46.00	0.92	134.00	0.53	80.00	1.60	35.00	\$25t		Sweep; NLMF (fee); On-Line; Dir
800/669-4483	Thomas F. White	65.00	1.30	130.00	0.52	65.00	1.30	35.00		Standard (fee)	Sweep (\$100); NLMF (fee); DRP
800/522-3000	Tradex Brokerage	35.00	0.70	95.00	0.38	75.00	1.50	25.00			Sweep (\$1,001); NLMF (fee); DRP
800/962-5489	Tuttle Securities	55.00	1.10	140.00	0.56	90.00	1.80	40.00	\$35i	Standard	Sweep (\$500); NLMF; DRP
800/631-1635	U.J.B. Investor Services	43.00	0.86	98.00	0.39	60.00	1.20	25.00		Standard (fee)	Sweep; NLMF (fee)
800/531-8628	USAA Brokerage Services	45.00	0.90	136.00	0.54	72.00	1.44	35.00	\$25t		Sweep (\$1,000); NLMF (fee); DRP
800/862-7283	Unified Management Corp.	54.00	1.08	154.00	0.61	90.00	1.80	38.00\$15c, \$25t, \$37.50i			Sweep (\$101); NLMF (fee); On-Line
800/992-8327	Vanguard Discount	48.00	0.96	135.00	0.54	77.00	1.54	36.25			Sweep; NLMF (fee); DRP
800/426-8106	Voss & Co.	53.63	1.07	162.70	0.65	104.78	2.09	49.00		Standard	Sweep; DRP (fee)
800/221-7990	Wall Street Discount	35.00	0.70	45.00	0.18	60.00	1.20	35.00	\$20t	Standard	Interest (\$1,001); NLMF (fee)
800/321-4877	★Wall Street Equity Inc.*	15.00	0.30	15.00	0.06	15.00	0.30	15.00	\$25c, \$50t		Interest (\$2,000); Dir
800/843-9601	Washington Disc Frequent	25.00	0.50	25.00	0.10	25.00	0.50	25.00	\$25c, \$100i		Interest; NLMF (fee)

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Key to Research and Other Services

Research: Provides research information. **Standard** research is supplied to the firm by outside sources. **Custom** research is supplied by the firm's own analysts.

Other Services

Interest: Pays interest on customers' cash balances. Amounts in parentheses, if any, indicate minimum amount at which interest is

paid. If a discount firm offers a sweep account, we do not include information on cash balance interest.

Sweep: Automatically invests cash balances in an interest-bearing money market fund until those funds are reinvested.

NLMF: No-load mutual funds can be purchased through the firm. Note that some firms charge for this, others do not. In addition, the number of funds available varies from firm to firm; check with

the firm for a listing of available funds.

DRP: Dividends can be automatically reinvested through the brokerage firm.

On-Line: Trades can be made through computer. For more information on on-line trading, see accompanying box.

Dir: Direct clearing of trades.

Notes

* Non-market orders are higher

** High volume rates

*** Average commission; local office rates will vary

† Formerly Calvert Securities

†† Formerly Pace Securities

††† Formerly Broker's Exchange

All firms offer SIPC coverage.

*Does not insure accounts above the SIPC minimum of \$500,000

Key to Handling Fees

c = charge for registering stock certificate in owner's name

t = charge for transferring account to or from another broker

i = charge for inactive accounts

Telephone	Brokerage Firm	Commission								Handling Fees	Research	Other Services (see keys)
		100 Shares at \$50/Share		500 Shares at \$50/Share		1,000 Shares at \$5/Share		Min. Comm. (\$)				
		Total: \$5,000		Total: \$25,000		Total: \$5,000						
		as % of (\$)	Trade	as % of (\$)	Trade	as % of (\$)	Trade					
800/934-4410	Waterhouse Securities	35.00	0.70	111.74	0.44	54.72	1.09	35.00		Standard (fee)	Sweep; NLMF (fee); DRP; Dir	
800/669-4483	White Discount Securities***	42.00	0.84	42.00	0.16	42.00	0.84	42.00	\$7.50c	Standard (fee)	Sweep (\$2,000); NLMF (fee); DRP; On-Line	
800/223-5023	Whitehall Securities Inc.	50.00	1.00	62.50	0.25	125.00	2.50	50.00		Standard	Interest (\$2,001)	
800/926-9991	Wilshire Capital Mgmt	30.00	0.60	30.00	0.12	30.00	0.60	30.00		Standard	Interest	
800/221-3154	York Securities	35.00	0.70	70.00	0.28	45.00	0.90	35.00		Standard	Sweep; NLMF; DRP (fee)	
800/433-5132	Young, Stovall	50.00	1.00	136.00	0.54	78.00	1.56	35.00		Standard	Sweep	
800/800-3215	Your Discount Broker	35.00	0.70	55.00	0.22	70.00	1.40	35.00	\$35i	Standard	Sweep; NLMF (fee)	
800/328-4854	Ziegler Thrift Trading	48.00	0.96	130.50	0.52	69.50	1.39	34.50		Standard	Sweep; NLMF; DRP	
	Average	41.09	0.82	87.80	0.35	64.21	1.28	35.33				
	Highest	82.50	1.65	195.00	0.78	135.00	2.70	75.00				
	Lowest	15.00	0.30	15.00	0.06	15.00	0.30	15.00				

Key to Research and Other Services

Research: Provides research information. **Standard** research is supplied to the firm by outside sources. **Custom** research is supplied by the firm's own analysts.

Other Services

Interest: Pays interest on customers' cash balances. Amounts in parentheses, if any, indicate minimum amount at which

interest is paid. If a discount firm offers a sweep account, we do not include information on cash balance interest.

Sweep: Automatically invests cash balances in an interest-bearing money market fund until those funds are reinvested.

NLMF: No-load mutual funds can be purchased through the firm. Note that some firms charge for this, others do not. In addition, the number of funds available varies from firm

to firm; check with the firm for a listing of available funds.

DRP: Dividends can be automatically reinvested through the brokerage firm.

On-Line: Trades can be made through computer. For more information on on-line trading, see accompanying box.

Dir: Direct clearing of trades.

Notes

* Non-market orders are higher

** High volume rates

*** Average commission; local office rates will vary

† Formerly Calvert Securities

†† Formerly Pace Securities

††† Formerly Broker's Exchange

All firms offer SIPC coverage.

*Does not insure accounts above the SIPC minimum of \$500,000

Key to Handling Fees

c = charge for registering stock certificate in owner's name

t = charge for transferring account to or from another broker

i = charge for inactive accounts

trades.

Some brokerage firms offer asset management accounts with checkwriting privileges, debit cards, the direct deposit of payroll checks and other checks, and ATM access cards.

Most discounters offer the standard broker fare of margin accounts, trading of other instruments (options, bonds, and certificates of deposit, for instance), wire transfers, confirmations of trades, and monthly statements.

How to Use the Listing

The listing here is intended to give you a starting point if you are seeking a discount brokerage firm or if you want to see how your current broker stacks up.

Compare the commission charges for the kinds of trades

that you are most likely to make, and make note of fees that may be charged for services you are likely to use. Then select several discounters to call for more information. When calling a firm, ask for a commission schedule and a description of the services they offer. Double-check the charges in the listings here—prices change, and although we have made every attempt to provide recent and accurate information, it is best to confirm the charges yourself. You should also check for other charges that may apply to your particular situation; for instance, some firms charge a flat fee to open an account.

In addition, make sure you are comfortable with any firm you choose; our listing does not attempt to rate the financial condition or the service quality of the firms. [For more on evaluating brokerage firms, see "How Safe Is Your Money? What to Ask Your Financial Institutions," by Martin D. Weiss in the August 1992 *AAII Journal*]



On-Line Discount Brokers

The table below provides more information concerning the on-line trading services offered by a number of discount brokers.

On-line services enable computer users with modems to register trades with a broker through their computers. Commissions are usually the same as the normal brokerage charges, although some firms may offer a discount for on-line trading. Use the telephone numbers provided to request information on any start-up, maintenance, and access fees and additional requirements and services.

Many of the brokers in our guide have a site on the Internet or are in the process of building one. You can get the Internet address by calling the brokerage firm. The majority of these sites provide information for prospective clients; you generally cannot register trades through them at this time. [A comparison of on-line discount brokers will be published in the January/February 1996 issue of AAI's *Computerized Investing*.]

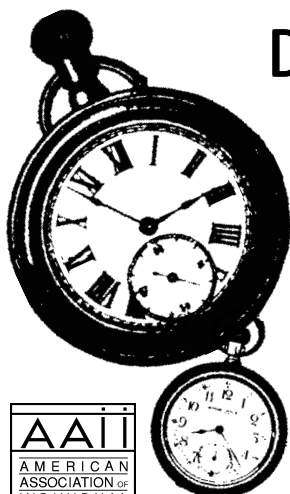
Telephone	Brokerage Firm	Name of On-Line Service
800/882-4887	AccuTrade Direct Access	AccuTrade Direct Access
800/866-6757	Aufhauser (K.) & Co.	WealthWeb
800/822-2021	Brown & Co.	PC Line
800/334-4455	Charles Schwab	Equalizer, StreetSmart
800/432-0327	CompuTel Securities	Rapid Trade
800/786-2575	E*Trade Securities	E*Trade Securities
800/544-0246	Fidelity Brokerage Services	Fidelity On-Line XPress*
800/221-1660	Freedom Investments	Trade Flash
800/753-1700	Jack White & Company	Path On-Line**
800/688-3462	Lombard Institutional	Lombard Institutional
800/223-6642	Max Ule	TickerScreen***
800/643-9663	Midwood Discount Brokerage	PC Invest*
800/872-0711	Muriel Siebert	Siebert On-line Services*
800/888-3999	National Discount Brokers	NDB Online
800/416-7113	Pacific Brokerage Services	Remote Access
800/825-5723	PC Financial Network	PCFN*
800/634-6214	Quick & Reilly	QuickWay
800/786-9000	Regal Discount	CommandLine PC*
800/487-2339	Royal Grimm & Davis	Trader's Express*
800/638-5660	T. Rowe Price Discount	PC Access
800/862-7283	Unified Management Corporation	Unified
800/491-8123	White Discount Securities	Rapid Trade

* IBM-compatible only

**Accessed through the Internet

***Accessed through CompuServe off hours only

Do You Need Timely Mutual Fund Data?



You can keep tabs on the funds you own or are considering with AAI's *Quarterly Low-Load Mutual Fund Update*. See if your fund has done better or worse than its peer group by quarter over the last year and for the most recent three years and five years.

Over 870 no-load and low-load mutual funds are covered. Funds are grouped by objective for easy evaluation and comparison. The major stock and bond index returns are reported so that you can judge your funds by an appropriate market benchmark. The *Quarterly Update* also informs you of any recent changes such as a new portfolio manager, a fund name change, or a fee levied.

Do you use a computer?

Data in the *Quarterly Update* is also available with a computerized menu-driven program. In addition to the information presented in the printed version, the computer version includes fund returns for each of the last 10 years and the most recent bull and bear market periods. System Requirements: 386-based IBM PC or compatible with 2M of free RAM and 3M hard drive storage space or a Mac Plus or higher with 3M hard disk storage. (High-density diskettes used.)

Special annual subscription rates for AAI member, including four quarterly updates: \$24 for the *Quarterly Update* newsletter; \$39 for the newsletter plus computer program.

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