*The Internet offers a wealth of financial information for investors, but finding the useful sites among the vast web of pages can be difficult.*

# Introducing the Internet: A Tour of Useful Sites for Individual Investors

By Michael S. Gutierrez

By now, almost everyone has heard of "the Internet." But to many, especially those without a computer, it is simply a word.

The Internet in fact is not one thing, but many. It is an interconnecting network of computers located all over the world, a decentralized "web" linked primarily by telephone lines and modems.

If you are familiar with an on-line service such as Prodigy, America Online or CompuServe, the Internet will not seem that foreign. Unlike the on-line services, the Internet is not a centralized system—there is no single information provider. Instead, information is contained at a multitude of different sites. This is both an advantage and a disadvantage—many of these sites offer extensive information to those that can find it, but the information is so scattered that searching, finding, and filtering the information is a challenge.

What kind of information is available? Virtually any topic can be found somewhere on the Internet. And that includes information that can be of practical value to individual investors.

This article provides an introduction to certain sites on the Internet that individual investors may find useful. [If you want more basic information on connecting to the Internet, the article on page 11 provides a brief outline of what you need.]

### Financial Web Sites

The most popular method of navigating the Internet is through the World Wide Web, a graphical system that allows you to view information contained on the many different Web sites. There are several basic types of sites that you will find on the Internet: those put together by individuals for their own personal enjoyment (remember, anyone can get on the Internet), commercial sites that were created to advertise products or to provide a service, and sites created by educational institutions and governmental organizations. For individual investors, the most useful sites are the latter two types.

Information on the Internet ranges from fee-based services to no-cost services. Most companies offer fee-based services and will usually charge monthly or retrieval fees to access their information, so it is important to carefully read all the "fine print" on a Web page before subscribing to a service. Other companies will provide access to their Web sites as a means of promoting their products; some of these companies will ask that you register with them before permission is given to access their Web pages at no charge, while others simply provide ready access at no charge. Access to many educational and govermental sites is also usually free.

Here are a few selected sites that are well worth a visit by individual investors and that can be accessed in whole or part without a fee. (To find the sites, you will need their "address," the information that indicates where the site is located on the Internet; addresses for the sites listed below are in Table 1.) Remember when visiting any site, however, that there are no guarantees concerning the quality and completeness of the information; always double-check any information with other sources before acting upon it.

**EDGAR:** The Electronic Data Gathering, Analysis, and Retrieval system, is a searchable database of documents filed with the Securities and Exchange Commission (SEC), including corporate 10-Ks and prospectuses. Nearly three-quarters of U.S. publicly traded companies use EDGAR to make their filings, as do some foreign companies. These foreign companies are not required to be filed on EDGAR, but do so voluntarily.

By May of 1996, all registrants with the SEC will be required to file electronically. An anticipated 11,080 companies will reside in the EDGAR database at that time. Over 460 filings can be obtained, dating back to 1994.

**IRS forms and publications page:** For tax forms and other publications, the IRS forms and publications page would be a good start. Files can be downloaded in various formats for 90 different tax publications (from Publication 3 to Publication 1544); and over 560 tax forms (from Form 11C to Form 9465). This site also

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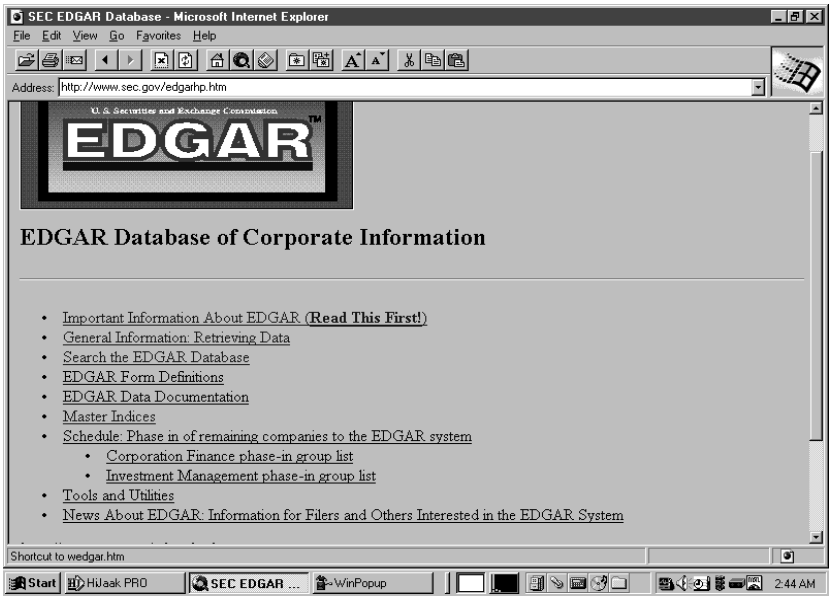
*Michael S. Gutierrez is assistant editor of* Computerized Investing, *the* AAII Journal's *sister publication that covers computers and investing.*

**Figure 1.**
**EDGAR Site**




offers 45 text files of retrievable tax regulations.

Other topics offered at the IRS site include: personal tax information, taxpayer help and education, tax regulations in plain English (for the linguistically challenged in terms of legal jargon), IRS Newsstand, meet the commissioner, and comments and help.

Have specific tax questions? Contact information is provided for every state in the U.S., including other resources to look up and phone numbers to call.

**American Stock Exchange:** In addition to a brief chronology of the exchange and the function it serves, this site also provides news, stock and options information, and listings of companies available on the exchange by ticker and company name. Also provided is the Internet site of each company (the company's home page), if any.

Market information provided includes end-of-day summaries of the most actively traded, the largest percentage gain, and the largest percentage decline in equities, with daily summaries going back to June 1995.

Headline news of stocks and options listed on the exchange for the first time are provided, with news going back to the first of the year of 1995.

The interactive, electronic resource published by the exchange is also available on-line, and includes the Amex newsmaker exchange, the latest issue of Amex facts, and a hit list of other financial resources.

Full-motion videos of the trading floor and other facets of the exchange can be downloaded, as well.

**The Silicon Investor:** What makes this site unique is the quantity, quality, scope, and consolidation of the information provided. Although its focus is primarily technology stocks and is therefore somewhat limited in scope, the information presented is quite good.

Once registered, you can create personalized portfolios of securities with up to 50 securities per group. Using these portfolios, financial information such as revenues, net income, and price/sales ratios may be obtained. By switching views, you can also see their price change, percent change, high, low, and volume for the day. Links are also provided if your securities have their own pages on the Web.

Charting is another feature offered by Silicon Investor. Predefined date-ranges of charts are available, including 100-days, 100-weeks, or 60-months. Performance charts can be graphed, where up to seven stocks can be compared per chart. Other features include company descriptions from 10-K statements, latest press releases, analyst comments, and SEC documents.

Probably the most unique feature of Silicon Investor is the stock talk subjects. These are areas where investors can post their thoughts or questions on individual securities and receive replies form other investors in those securities.

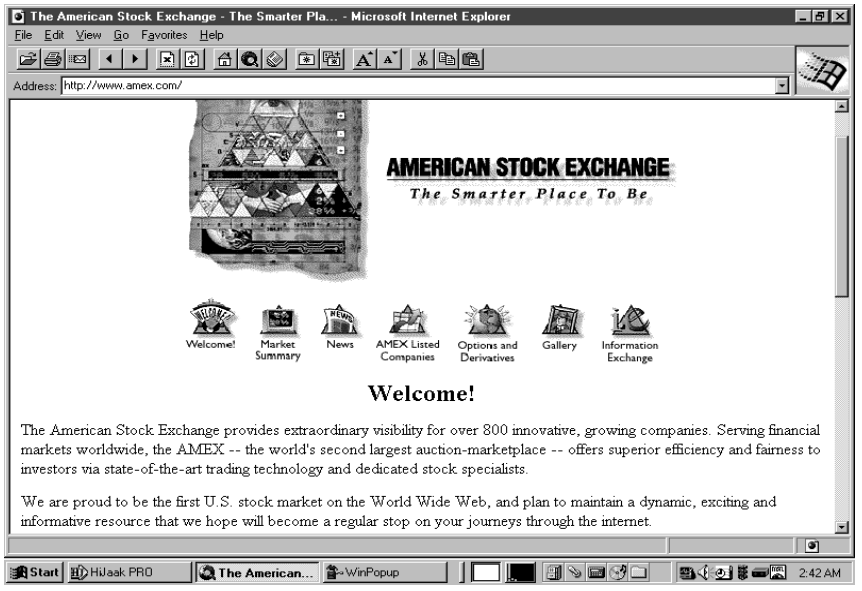
**Wall Street Journal's Interactive Edition:** Currently, the Interactive Journal is not charging for the information it is providing, but reports are that this will become a "pay-per-use" service sometime in the near future.

Currently, the Wall Street Journal's Interactive Edition emulates the printed Money and Investing section of the ever-popular Wall Street Journal. In addition to news, there is also a feature called the company briefing book. This extremely handy resource enables you to access extensive information on companies of your choice. Facts range from the company's background to products and services offered, a list of officers (with salary information), a list of key competitors, the fiscal year-end date, and several years worth of financial data (including many key financial ratios). Financial overviews are included, graphically and numerically depicting changes in financial ratios and selected balance sheet information. Company news and press releases are also provided.

Other features and resources include: special reports, mutual fund scorecards, the personal finance library, market fact sheets by company, journal links, and links to other investing-related Web sites.

**The AAII Web Site:** For an organized source of AAII investment information, be sure to visit our very own AAII Web site. Selected articles from past issues of the *AAII Journal* and *Computerized Investing* are used to provide information on a variety of investment-related topics including: financial planning, investing basics, portfolio management, brokers, computers, mutual funds, fund manager interviews, stocks, bonds, international, and insurance. It also includes an information guide and an investment glossary.

**Figure 2.**
**American Stock Exchange Site**




Soon to be available: a downloadable demo version of the AAII *Stock Investor*, downloadable shareware and freeware versions of popular investment software programs, links to other popular Web sites, and an AAII message board.

### Sites With Mutual Fund Information

For prospectuses and annual reports on-line, in addition to some fund statistics, you can look to any number of the individual fund family Web sites, including Dreyfus, Fidelity, Vanguard and T. Rowe Price. Much of the information is sales and marketing literature, although educational material is available from some. But, for good quality information, in addition to useful mutual fund screening tools, check out NETworth and Mutual Funds Magazine Online.

**NETworth:** Although primarily focused on mutual funds, NETworth is also an extremely comprehensive source of broad-based financial information, including topics such as financial planning, tax planning, mutual fund investing, and a direct link to AAII's on-line Internet page (described above).

The scope of its functions and services rivals most "pay-per-use" services. It features a screenable database of over 5,000 mutual funds, a fund atlas with search capabilities that lets you define and organize your mutual funds, a personal portfolio manager that tracks stocks and mutual funds, information direct from mutual fund companies, such as current prospectus performance figures, free 15-minute delayed stock quotes, I/B/E/S earnings estimates, a weekly market outlook, and an interactive question and answer forum with top industry professionals.

NETworth, recently taken over by Intuit, the makers of the Quicken products, also offers direct access to the Quicken Financial Network.

**Mutual Funds Magazine Online**: Incorporating both helpful and descriptive articles and a research database, Mutual Funds Magazine Online is another great source for mutual fund information. Included is a screenable database of 7,000 mutual funds. Twenty-four fields of information are provided to screen on, with categories including fund type, size and risk-adjusted performance, loads and fees, total returns, and statistical measures. The database returns a simple performance report providing a fund overview; fees and expenses; the one-, three-, five-, and 10-year star ratings; total returns for the last one-, five-, and 10-year periods; and other statistics including alpha, beta and weekly standard deviation. The database is updated weekly via Morningstar.

Listed among its other assets are weekly personalized E-mail newsletters that provide market news, reports on top funds, and previews of upcoming articles. Individual mutual fund performance information and relevant news is also passed along.

### Lists of Financial Sites

Several organizations have put together lists of Web sites that contain information particularly suited to individual topics. These are extremely handy resources. Here are a few that were very helpful in providing extensive links on financial information.

**Infomanage International, Inc.:** This site makes reference to other financial sites, while grouping them into categories such as cool sites, exchanges on the World Wide Web, international stock information, emerging markets, financial news, investment banks, currency rates, EDGAR, bonds, futures and options, stock report/analysis, stock quotes—real-time or 20-minute delayed, finance, computers and technology, and brokerages. An excellent starting point for the financially curious.

**Department of Finance—Ohio State University—The Financial Data Finder:** This page points to many sources of financial and economic data. It includes a brief description of the services, who they are run by, and what they offer. Pages the author finds exemplary are flagged to stand out among the other selections.

**Investment Brokerages Guide:** This page provides informative background on the different types of brokerages, and the services they offer. It list over 100 brokerages in the United States alone, in addition to Canada, Europe, Asia, Australia, Chile, and Costa Rica. It also provides links to brokers' Web pages (if they have one), various commissions schedules, a brief write-up of each brokerage's services, and how to contact them. This is a fairly

**Table 1.**
**Internet Addresses: A Directory of Useful Sites**

(Note: If attempting to duplicate Web addresses, there are no spaces in between words and slashes.)

**Financial Web Sites: General**

**EDGAR**
http://www.sec.gov/edgarhp.htm

**IRS forms and publications page**
http://www.irs.ustreas.gov/prod/forms_pubs/index.html

**American Stock Exchange**
http:/www.amex.com/

**The Silicon Investor**
http://www.techstocks.com/

**Wall Street Journal's Interactive Edition**
http://update.wsj.com/welcome.html

**The AAII Web Site**
http://www.aaii.org/

**The MIT Artificial Intelligence Laboratory's StockMaster**
http://www.ai.mit.edu/stocks

**Sites With Mutual Fund Information**

**NETworth**
http://networth.galt.com/
**Mutual Funds Magazine Online**
http://www.mfmag.com/

**Lists of Financial Sites**

**Infomanage International, Inc.**
http://www.infomanage.com/investment/default.html

**Department of Finance—Ohio State University—The Financial Data Finder**
http://www.cob.ohio-state.edu/dept/fin/osudata.html

**Investment Brokerages Guide**
http://www.cs.cmu.edu/~jdg/ invest_brokers/index.html

**Essential Links to Taxes**
http://www.el.com/ToTheWeb/Taxes/

**FTP Site**

**The MIT Artificial Intelligence Laboratory**
ftp://ftp.ai.mit.edu/pub

informative and concise listing.

**Essential Links to Taxes:** Provides links to all types of tax-related Internet sites. Topics include forms and instructions, assistance and information, U.S. and international tax resources, tax codes, other tax directories, general tax information, newsletters, commercial sites, what's new, and newsgroups.

## FTP Sites

Another resource of the Internet is FTP (or file transfer protocol) sites. Graphically, these resemble the file structure of your own computer when viewed using the file manager in Windows. It is from this directory structure that you can select files to view or download. As such, it is not as graphically appealing or as easy to navigate as the Web and was specifically designed for the transfer of files from computer to computer. In fact, many services on the Web will link to FTP sites when offering the user an option to download a program or file. [Be careful when downloading files from the Internet, because computer viruses can be transferred; if you are going to download files, an antivirus program is recommended).

Typical of FTP sites, you will find many shareware programs, in addition to program updates, spreadsheet templates, raw data, and anything else that may be downloaded to your computer.

**The MIT Artificial Intelligence Laboratory:** An interesting site, the MIT Artificial Intelligence Laboratory offers several features for investors. From this site, you can scroll through their list of file folders and select topics of interest. For instance, by going to the "directory" (ftp://ftp.ai.mit.edu/pub/stocks/results/) you can access daily pricing on close to 600 stocks. Formatted as high, low, close, and volume data dating back several years, the data is current to the previous day. This data can be copied and pasted into a spread sheet, or saved as a text file and used with a portfolio management or technical analysis program. This group also maintains a Web site called StockMaster, in which this information can be displayed graphically.

## Conclusion

The Internet is a vast resource of information. Once you have overcome the barrier of finding relevant information, further trips on the Internet will bear fruit in succession.

Now that you are well-armed with an arsenal of financial information lists, and several excellent starting points, surfing the Internet for useful financial sites should be much less daunting, and hopefully more productive.

## The Internet: Getting Connected

First time users of the Internet need two things:

- Browser software, which allows your computer to graphically display the pages on the Internet in addition to providing a host of other features, including E-mail and access FTP sites. Browsers can be purchased at software supply stores.
- An Internet access provider to connect you to the Internet (of course, you also need a modem). An Internet provider may charge a flat fee for unlimited access, or there may be charges based on the number of hours used. Be sure the Internet provider has a local number in your area before setting up an account, so that you are simply paying local charges on your telephone bill.

If you purchase a browser, information is usually included on who to contact to set up an Internet account. On the flip side, there are also a number of Internet providers that offer their own proprietary Internet software browsing packages. These include nationwide providers such as: Performance Systems ($19.95/mo. for unlimited use; 800/453-7473); Netcom ($19.95/mo. for 40 hours; 800/353-6600) and UUNet (800/265-2213). Similarly, you can access the Internet through on-line services, such as Prodigy, CompuServe, Microsoft Network and America Online, which also provide their own Internet browsers.

Another suggestion would be to check your local yellow pages for Internet access providers. Many small, local providers are popping up all the time. Sometimes, these are the best providers since, being small, they do not encounter the traffic flow larger services draw, thus ensuring a quicker connection time and less of a chance of receiving an "all lines are busy" message.

Once on the Internet, you can download other browsers, such as the widely acclaimed Netscape Navigator or Mosaic . These programs can also be purchased directly from the company with their full documentation and users guides.

Setup is usually quite simple. The browser software is installed like any ordinary software product. Once installed, you will be prompted by your Internet service provider for a user ID and a password. You will provide your own user ID, while your password is provided by your Internet service provider (which can be modified). These serve a twofold purpose: security and E-mail.

Your password ensures others cannot access your account without your authorization, and your user ID becomes the first part of your E-mail address. The second part of your E-mail address is the name of the service you are using. E-mail, however, is universal—you are not limited to sending or receiving E-mail to or from subscribers of the same service. Using Internet E-mail, you can send messages to friends or relatives all over the world, using any service.

### The World Wide Web

Once connected to the Internet, you will automatically reach the "home page" of whatever service you are using. You are now connected to the World Wide Web portion of the Internet. This is by far the easiest section of the Internet to navigate, with information provided on "pages," similar to a book or magazine page. The location of these pages on the Internet is referred to as an "address," which is usually quite lengthy. Most Internet browsers provide "bookmarks" that allow you to save the addresses of your favorite sites so that you do not need to type it in every time you want to go to that page.

Many pages have "links" that can take you to other sites. Links connect Web pages together using key words or phrases; clicking on these key words or phrases will call up the address of the linked site and send you directly to that site; these links are usually underlined or colored differently from the rest of the text.

The home pages of most Internet providers will provide links to what are called search engines. These invaluable tools are used to search for references on any topic imaginable. For a complete listing of all the Internet search engines available, point your browser to The Guide to Searching the Internet (http://www.enterprise.net/anadas/search/). This comprehensive page contains all the different types of search tools available in addition to an explanation of how they work and which to use, depending on what you need.

And, of course, once on the home page of your Internet access provider, you can go directly to one of the sites mentioned here by typing in the site's address (see Table 1).

For more extensive reading on Internet basics, check out these books:

*"The Internet for Dummies," third edition, by John Levine; IDG Books Worldwide, 919 E. Hillsdale Blvd., Suite 400, Foster City, Calif. 94404, (800) 762-2974.*

*"A Pocket Tour of Money on the Internet," by Mark Fister; Sybex, Dept. EM-82, 2021 Challenger Drive, Alameda, Calif. 94501, (800) 227-2346, Dept. EM-82.*