

1. - Corporations issue stock to raise money without going to debt. People who buy the stock are giving the company the money its needs to grow.

- Investors, so called 'shareholders' or 'stockholders', buy the stock to earn share of company. They hope company will earn money as it grows. If company earns money the stockholders get the share profits. Also, earning from stock is more than earning from saving account, buying bond or other investment, so it is better method of investment.

2. When interest rate raise, bonds value decrease; when interest rates fall, bonds value increase.

3. Investment objective define the level of risk of fund takes, volatility of its stock and the potential return on investment. It is also describe which types of securities the fund is invest in, and why do the fund invest in those securities.