



# Direct Indexing with OpenInvest

Direct indexing is an innovative investing solution that allows you to own individual securities in your investment portfolio. Rather than owning a portion of a mutual fund or an ETF in which you are not able to own individual stocks, direct indexing allows you to own specific securities. This allows for increased customization to create a portfolio built just for your needs.

1602

## Stocks

Originating in the 17th century, individual stocks were the first form of investing. However, they were very expensive, and thus, inaccessible to the majority of the population.

1924

## Mutual Funds

Created in the 1920s, mutual funds were a simpler, more obtainable way for individuals to invest and have a diversified portfolio. While offering greater accessibility and diversification, mutual funds often have larger tax burdens due to capital gains and trading restrictions.

1990

## ETFs

Funds, a more recent innovation from the 1990s, reduced cost and overhead compared to mutual funds. ETFs are able to be traded like stocks and offer less tax burden compared to mutual funds, but they still do not allow for any customization.

NOW

## Direct Indexing

Direct indexing is the most modern, dynamic way you can invest today. Direct indexing allows an investor to purchase securities directly, enabling increased customization and personalization. Additionally, direct indexing supports greater tax efficiency as an investor is able to buy and sell individual stocks with ease.