

# Diversification

**Disclaimer: This is not financial Advice**

# Stock Diversification

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- Diversification in the stock market is investing in various securities in the stock market that span multiple sectors and market activities
- Diversification reduces risk
- A good number of stocks to own is 20 over multiple market sectors
- You have to optimally balance your diversification
- If you diversify your portfolio you will eliminate profit
- Diversify to match your risk tolerance

# Video

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**How to Build  
a Well  
Diversified  
Portfolio**



# Activity

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1. Make your own diversified portfolio across multiple sectors and industries