Use this link to read the full article from "The College Investor" featuring comments by Michael Alexenko, CFA

http://thecollegeinvestor.com/16553/the-best-investing-advice-for-beginners/

Don't neglect your employer's retirement plan. Allocating 5% -10% of your income to a 401(k)or SIMPLE IRA that offers matching contributions is possibly the best way to accumulate wealth.

Assume that you earn a starting salary of $40,000 and your employer offers a 3% matching contribution on your annual salary if you participate in the company's retirement plan. This benefit amounts to a tax free raise of 3%. Or you might consider it to be like a built-in investment return on the funds you invest.

If you contribute $2,500 annually and your employer kicks in $1,200 then your assets have an automatic capital gain of 48% on your annual contribution amount. This is a return that every Wall Street hedge fund manager would love to have.

Keep your investments simple. Until you gain some experience in investing you would be wise to invest money into asset allocation funds or target date funds. If your retirement plan offers target date funds find one that matches your risk tolerance.

As a young investor it's likely that a fund that holds at least 70%-80% in stocks is a fund that would match your risk tolerance. Because the funds provide broad diversification and consistent asset allocation strategies they are perfectly acceptable for 100% of your investment amount.

The only caveat is that it is best to identify a fund that is low cost (no more than .25% -.75% in annual expense ratio) and is not considered to be "actively managed."