



Article Side

Penny stocks are the right way to enter the stock market by [Jessica Meriya](#)

Article published on December 2nd 2011 | [Fitness](#)

Penny stocks are less investment opportunity.

Most stocks trading at below \$5.00 are treated as penny stocks. But sometimes this is not the case as most commonly heard of cheap penny stocks are well under .50 cents or even sub penny prices. Penny stocks can be determined by the lower the trading price of the security is the closer chance it is of being a penny stock. Cheap penny stocks are traded on the over the counter bulletin board, or Pink Sheet market. A Market cap is the value of each stock multiplied by the number of stocks which are owned by the public. This gives the trading value of the entire company. If this number is low, then it is likely to be a penny stock. Hot Penny Stock List is available online.

Penny stocks are very volatile.

There is always a serious risk when trading penny stocks. Penny stocks can move very quickly either up or down for no reason. Sometimes penny stocks move quickly on rumors rather than news or fundamentals. Best penny stocks online can give you the best informations. Penny stocks are a wild market to be researched every single detail to the fullest extent is very important. Hot penny stocks list of companies need no minimum of assets or shareholders and sometimes have reckless insiders involved. Penny stocks are not long term investments. It is always smart of looking company filings and financials before thinking about investing.

Before investing in penny stocks you have to research on your own.

The volatility involved in penny Stocks are what makes them so rewarding. Best penny stocks online is their potential to garner incredible gains with a minimal investment and in a shorter time. The extent of the rewards is simply a matter of choosing the proper stock at the proper time. Those who are new to trading, it is an excellent way to learn about stock market fundamentals with minimal commitment through penny stocks.

It is not uncommon to see a stock soar high within purchasing price very quickly within hours of purchase, and as such many is drawn to the penny stock community. They key to success lies in choosing the right stock before it takes off. It is always advised to take the profit when in a position to do so and not to get greedy which may lead to loss. It is better to do proper research and investigation of your own before you indulge in it. Penny stock are risky investment because of the volatility, hence it is advised to invest only what you can afford. It is better to limit your purchase to protect your investments. You have to be shrewd and do not hold your stock when everybody else are running to quit. Penny stocks can loose within a short time span. You have to remember the key to success in stock trading that is buy when it is low and sell when it is high.

Article Source:

<http://www.articleside.com/fitness-articles/penny-stocks-are-the-right-way-to-enter-the-stock-market.htm> - [Article Side](#)

[Jessica Meriya](#) - About Author:

The above description is about the a [cheap penny stocks](#) which are of low investment. a [Best penny stocks online](#) is the best option for small time trading. Hot penny stock list is available online.

Article Keywords:

hot penny stock list, cheap penny stocks, best penny stocks online, trade penny stocks online, cheap penny stocks to buy, how to trade penny stock, global penny stocks, penny stock exchange, how to buy penny stocks online, buy best penny stocks

You can find more [free articles](#) on [Article Side](#). Sign up today and share your knowledge to the community! It is completely FREE!