

Saving and Investing

Saving & Investing

Directions: Click on the [SLIDES](#) and go through them with a parent or teacher to help you!

Vocabulary:

Interest:	Return:	Risk:
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What is Saving vs. Investing?

Savings Account	CDs (Certificate of Deposits)	Stocks
<p>Where can you access this product?</p> <p style="text-align: center;">BANKS</p> <p>How does it work?</p> <p style="text-align: center;">The bank pays you interest as a reward to keep your money there. You can put money in or take it out any time.</p> <p>What are the interest rates on savings accounts like? (low return or high return?)</p> <p style="text-align: center;">LOW RETURN</p>	<p>Where can you access this product?</p> <p style="text-align: center;">BANKS</p> <p>How does it work?</p> <p style="text-align: center;">You buy the certificate for a certain amount of money and you are not allowed to take money out until a certain amount of time passes.</p> <p>How do interest rates on CDs compare with interest rates on savings accounts? (lower return or higher return than a savings account?)</p> <p style="text-align: center;">LOW RETURN BUT HIGHER THAN A SAVINGS ACCOUNT</p>	<p>Where can you access this product?</p> <p style="text-align: center;">STOCK MARKET</p> <p>How does it work?</p> <p style="text-align: center;">The value of a share of stock goes up and down every day as the company's value changes. You can buy or sell stock at anytime.</p> <p>How do you get a return on stocks?</p> <p style="text-align: center;">You lose money if you sell the stock for a lower price than you bought it for. You make money if you sell the stock for a higher price than you bought it for.</p>

Place the Savings Account, CDs and Stocks on a scale from least risky to most risky:

Least Risky <-----> Most Risky

Savings & Investing: Calculated Chances Game

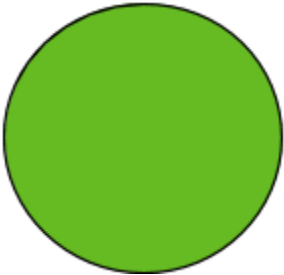
Saving & Investing

Directions: Go through the [SLIDES](#) with someone to help you play the Calculated Chance Game

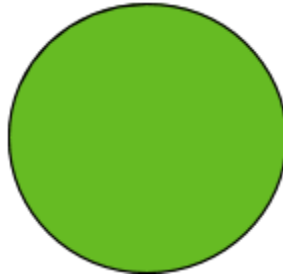
In this game, you start with six tokens and decide how to save and invest. Your goal is to end the game with the most tokens, representing the greatest **return** on your money. There will be three rounds:

1. A chance to save in a CD
2. Invest in a stock scenario 1
3. Invest in a stock scenario 2

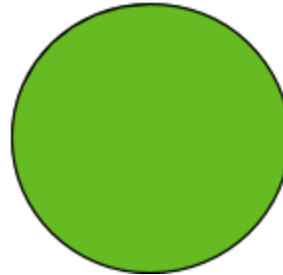
Savings Account



CD



Company A



Company B



SAVINGS FIRST: Put all of your tokens in your savings account circle.

CD	Stock Scenario 1	Stock Scenario 2
Certificate of Deposit Why did you choose to buy (or not buy) the CD?	Company A or Company B Why did you choose that company?	Company A or Company B Why did you choose that company?
How many tokens do you have now?	What happened? How many tokens do you have now?	What happened? How many tokens do you have now?

How many tokens did you end the game with? _____