Student Activities

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Lesson Three

Saving and Investing

Practical Money Skills

name: ______________________ date: ______________

savings alternatives

directions

Do some research on different options for saving your money. Call or visit local banks and ask about the details of opening an account. Then fill in the following chart so you can compare the accounts.

Institution/ account	minimum balance	interest rate	compound or single	when paid	limited withdrawal

name: ______________________________ date: ______________

interest rates

directions

The longer your money sits in the bank, the more money it will earn for you. The money earned is called interest. The higher the interest rate, the more money you earn. Fill in the chart below, assuming you are figuring out the money earned on a deposit of $1 (for simple interest).

Future savings growth: $1.00

	5%	8%	10%
1 year			
3 years			
5 years			
10 years			

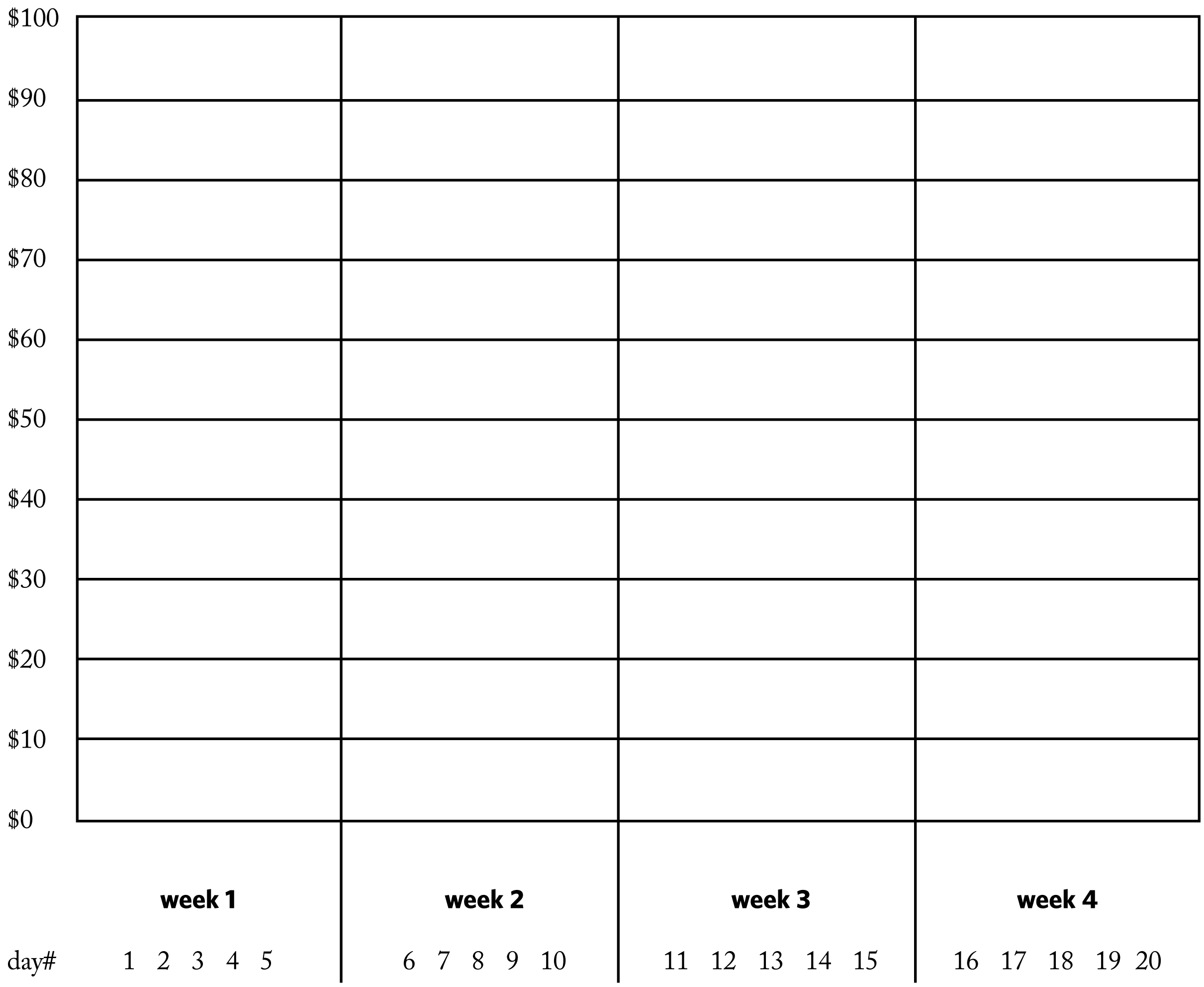
tracking stocks

directions
Pick a company's stock, and chart its value daily for a month. You will see that stock values change over time.

Company:

Symbol:

Month:



name: ______________________________ date: ______________

lesson 3 quiz: investing

circle the correct answer for each question.

1. Placing money into a savings account can increase my money.
True
False

2. The longer my money is in a savings account, the more money it will earn.
True
False

3. Different savings accounts pay different amounts of interest.
True
False

4. If the price per share of stock increases, I can sell it for more money than I paid for it.
True
False

5. Compound interest makes money grow faster.
True
False

6. Which of the following increases the value of my stocks?
a. Increase in price per share
b. Dividends
c. Stock splits
d. All of the above

7. Owning shares of stock:
a. can grow my savings
b. can shrink my savings
c. can provide income from dividends
d. all of the above

8. Which of the following is the best way to increase the value of a savings account?
a. Make few withdrawals from the account
b. Make regular deposits into the account
c. Leave the money in the account for as long as possible
d. All of the above

9. Which of the following is not a place to find information about stocks?
a. annual reports
b. newspaper financial page
c. cookbook
d. internet

10. The best way to grow my money is to:
a. make a variety of investments
b. save my money in a closet
c. loan it to a friend
d. buy new clothes