



## Investing Insights

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<https://investing-insights.org/>

# Unit 6: Investing

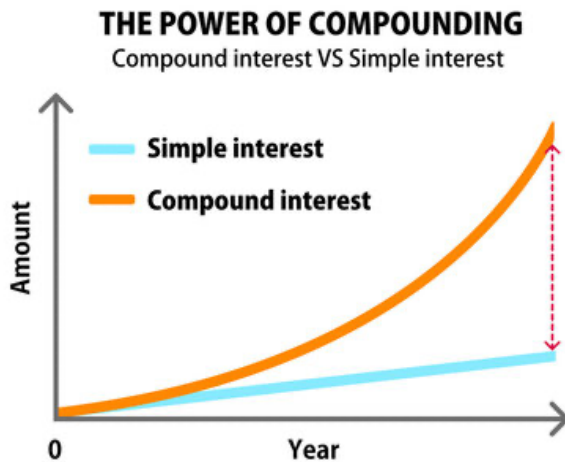
## The Concept of Compound Interest

- Simple Interest accrues, or accumulates at a fixed rate for a time-frame. Example, 2% per annum interest rate for a Certificate of Deposit means you get 2% each year for your deposit
- Compound Interest gives you interest on the interest you earned. 2% compound interest per annum means you get 2% interest on the interest you earned the previous year, on top of the 2% interest on your original deposit.



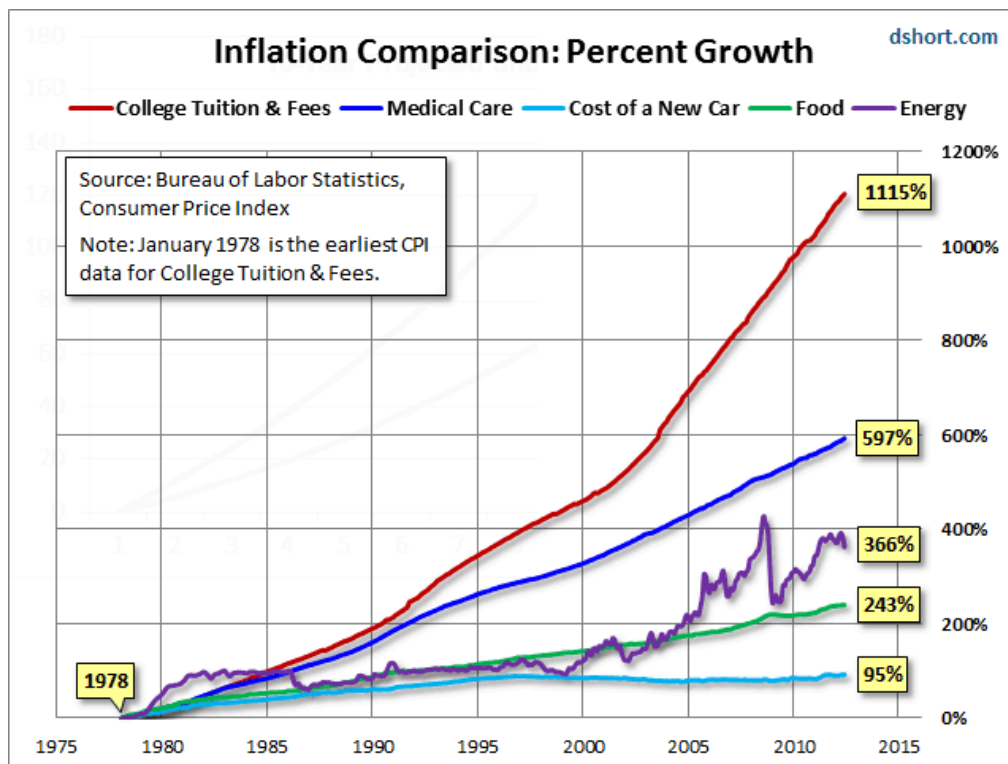
## The Power of Compounding

- Your Money Grows Faster with Compound Interest

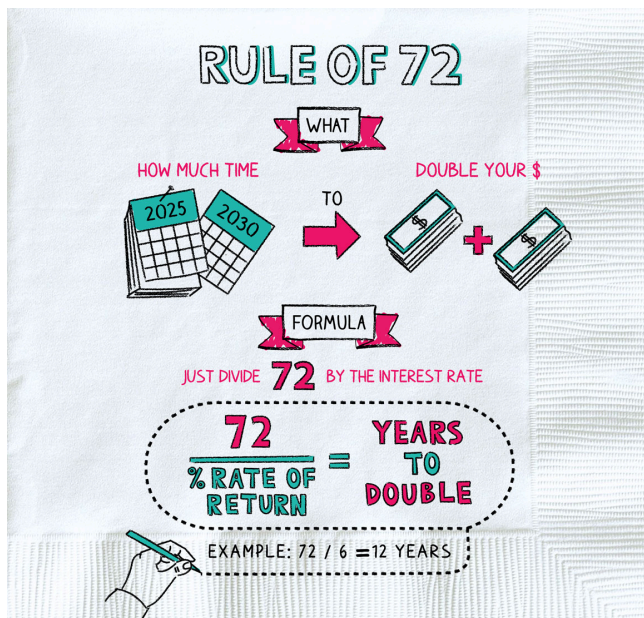


## Inflation

- When costs of goods and services increase over time, the value of your money reduces. This is called inflation
- Investing and Saving helps you reduce the impact of inflation or even beat inflation



## Rule of 72: How Long Does It Take to Double Your Money?



## Activity: Sweet Surprise!

<https://wehavekids.com/parenting/Stock-Market-Investing-and-Children-Risk-Versus-Return-Game>

How To Play! <https://flipsimu.com>

**Goal:** The students are trying to get the most candy by the end of play.

- 1) You will receive 5 M&M'S
- 2) You will decide if you want to "risk" or save your M&M'S
- 3) If you save your M&M'S then you will not do anything in the round
- 4) If you decide to play the round you must choose a number of M&M'S to place
- 5) A coin will then be flipped to determine the outcome
- 6) If the coin lands on heads your investment will be matched ex: placed 4 M&M'S, you will win 4 more M&M'S
- 7) If the coin lands on tails, all M&M'S invested are lost

\*The maximum M&M'S you can put aside to risk is 4 per round!