

### Case Study Summary

**Description:** In this Case Study, students will take on the role of a new employee having to select investments for a 401(k) plan. The students will methodically make decisions about how much to invest, how to allocate assets and also select funds to execute their investment strategy.

**Internet Usage:** Required

**Spreadsheet Skills:** None

### Alignment to Investing Unit Learning Objectives:

Students will be able to

- Understand the three main classes of investments and the risk and return associated with each (7.1)
- Use subject-specific vocabulary to discuss investing (7.1)
- Understand the difference between stocks, index funds, mutual funds, and other more or less risky investments and the costs and benefits associated with each (7.4)
- Explain the difference between active and passive investing (7.4)
- Explain why asset allocation and diversification are key strategies for successful investing (7.5)
- Recognize the value of young people investing early, regularly, and long-term to extract maximum earnings from their investments (7.5)

## [RETIRED] Compound My Interest in 401(k)s

We have retired this resource and replaced it with [ROLEPLAY: Sign Up for a 401\(k\)](#), which we hope you enjoy even more.