Grade 8 Math Personal Finance

Investing – an Introduction

Name: ___________________________________ Class: ______ Date: ______________________

Investing can be very exciting because it is the start of building wealth for many people. Essentially, you give your money to someone else with the hope of getting more money back later. In order for you to understand investing, you have to know about interest and more importantly, about compound interest. We have already talked about compound interest but there are other things to know about. Look up the definition to the following words.

Stocks

Bonds

Mutual fund

Indexed fund

Diversified portfolio

Risk tolerance in investing

Dollar cost averaging

TSX

Part of being a better investor is to not give away your profits. You can do this by minimizing your taxes that you pay on your investments (called your growth).

Look up the definition of each of the following.

TFSA

RRSP

RESP

Personal Income Tax

Income Tax bracket

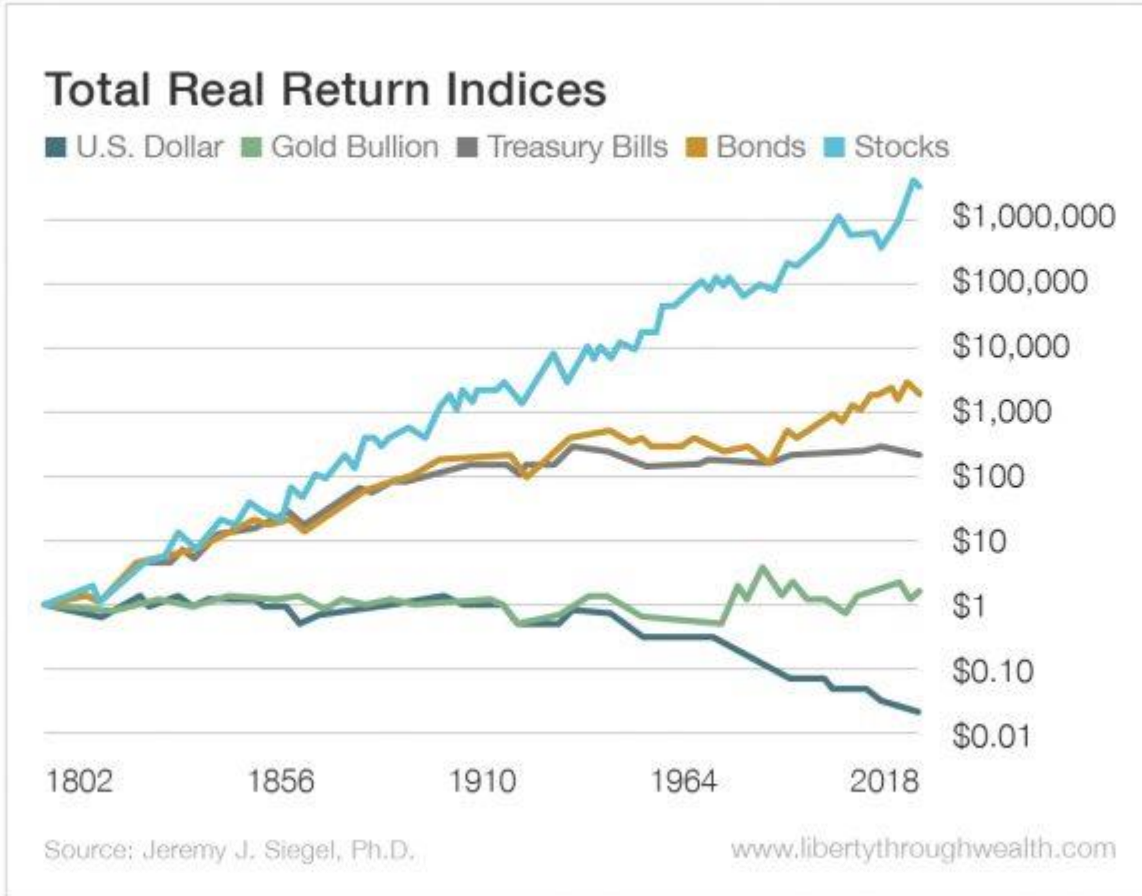
How old do you have to be to invest in Ontario?

How can you get around that legally?

What MUST you have in order to invest?

Why is it important to start early?

Why is it recommended to not check your investments often or try to beat the market?



The true magic of investing is time and compound interest. Here are a few videos that will help explain some of the concepts. For each, write down some key points and maybe some questions that you might have.

Compound Interest in 2 minutes

https://youtu.be/wf91rEGw88Q

Money Explosion (Compound Interest)

https://youtu.be/eIOUGZcmauo

Investing for teens (American)

https://youtu.be/WFIjkF3SlmY

Investing for Canadian Teens (bit odd and dry but informative)

https://youtu.be/ZzhD4AKzeGo

Investing for Teens (American)

https://youtu.be/u4Adtp04JxI

What are some of the key things that you have learned about investing?