

## Considering Saving Options

### INVEST IN STOCK MARKET

- Moderate to High potential to earn money
- Money is at risk of being lost
- Money is not that accessible, but stocks could be sold if needed

What could \$1,000 be worth in 10 years if invested in stocks?

**\$0-\$10,000+**

### CD (CERTIFICATE OF DEPOSIT)

- Interest Earned 3%
- Low return
- Money cannot be lost
- Money is not accessible for the length of the CD - 10 years

What will \$1,000 be worth in 10 years if placed in this 10-year CD?

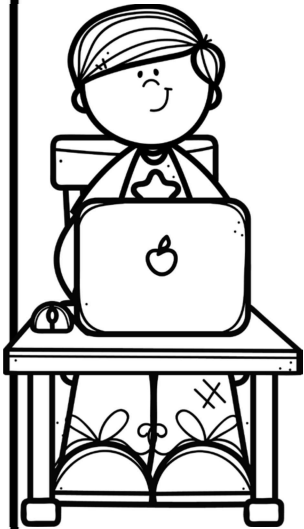
**\$1,343.92**

### SAVINGS ACCOUNT

- Interest Earned 1%
- Very low return
- Money cannot be lost
- Money can be withdrawn at any time

What will \$1,000 be worth in 10 years if put in this savings account?

**\$1,104.62**



Jose has \$10,000 he wants to save and invest. He has different needs. He separated his money into 3 categories and listed his needs for each category. Think about the types of saving and investment options listed above. What is the best fit for each amount of money Jose wants to save or invest?

#### \$2,000

He needs to have access to this money all of the time to pay for unexpected purchases like car repairs.

What should Jose do with this money?

Why?

#### \$3,000

He would like to earn as much money as possible with this money without the risk of losing any of it. He does not plan to use this money for 10 years.

What should Jose do with this money?

Why?

#### \$5,000

He would like to earn as much money as possible with this money and is willing to take the risk of losing some or all of it. He does not plan to use this money for 10 years.

What should Jose do with this money?

Why?

# What would you do?

## Considering Saving Options

Name: \_\_\_\_\_

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You have **\$100,000** to save and invest. Think about the types of saving and investment options listed. How much money would you put into each option? Explain your decisions.

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Amount I would  
**INVEST IN THE STOCK MARKET:**

Why would you invest this amount?

Amount I would  
**DEPOSIT INTO A 10-YEAR CD:**

Why would you deposit this amount?

Amount I would  
**DEPOSIT INTO A SAVINGS ACCOUNT:**

Why would you deposit this amount?