Unit 04: Investing in Funds

Content Area: **Business**
Course(s): **Generic Course**
Time Period: **Semester 1 & 2**
Length: **3 weeks**
Status: **Published**

Standards

PFL.9.1.12.B.1	Prioritize financial decisions by systematically considering alternatives and possible consequences.
PFL.9.1.12.B.2	Compare strategies for saving and investing and the factors that influence how much should be saved or invested to meet financial goals.
PFL.9.1.12.B.10	Develop a plan that uses the services of various financial institutions to meet personal and family financial goals.
PFL.9.1.12.C.1	Compare and contrast the financial benefits of different products and services offered by a variety of financial institutions.
PFL.9.1.12.D.1	Calculate short- and long-term returns on various investments (e.g., stocks, bonds, mutual funds, IRAs, deferred pension plans, and so on).
PFL.9.1.12.D.10	Differentiate among various investment products and savings vehicles and how to use them most effectively.
PFL.9.1.12.D.13	Determine the impact of various market events on stock market prices and on other savings and investments.

Enduring Understanding

A mutual fund is a professionally managed group of investments bought using a pool of money from many investors.

They are operated by professional fund managers who purchase stocks, bonds and other securities based on market research.

Essential Questions

Why does investment diversification matter?

Why are mutual funds a good investment for certain investors?

How do you determine appropriate mutual funds that are well-suited to a particular investment objective.

Knowledge and Skills

Students will be able to:

- Understand what a fund is and how investing in one can create a more diversified investment portfolio
- Define diversification, asset class, and asset allocation
- Identify assets by their risk profile
- Differentiate between active investing and passive investing
- Explain the advantages and disadvantages of investing in mutual funds, index funds and exchange-traded funds

Transfer Goal

Students will be able to discern the significance of economic, market and world news events as it relates to their own finances.

Students will apply their knowledge of investing fundamentals to meet their future life goals.

Resources

Curriculum is based on resources from NexGen Personal Finance (NGPF), along with online resources such as Yahoo Finance, Investopedia, The Stock Market Game, and How The Market Works.