

# Unit 01: Why Invest?

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

## Standards

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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.3	Construct a plan to accumulate emergency “rainy day” funds.
PFL.9.1.12.B.4	Analyze how income and spending plans are affected by age, needs, and resources.
PFL.9.1.12.B.5	Analyze how changes in taxes, inflation, and personal circumstances can affect a personal budget.
PFL.9.1.12.B.6	Design and utilize a simulated budget to monitor progress of financial plans.
PFL.9.1.12.B.8	Describe and calculate interest and fees that are applied to various forms of spending, debt, and saving.
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	Planning, Saving, and Investing
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.2	Assess the impact of inflation on economic decisions and lifestyles.
PFL.9.1.12.D.3	Summarize how investing builds wealth and assists in meeting long- and short-term financial goals.
PFL.9.1.12.D.4	Assess factors that influence financial planning.
PFL.9.1.12.D.5	Justify the use of savings and investment options to meet targeted goals.
PFL.9.1.12.D.8	Explain how government and independent financial services and products are used to achieve personal financial goals.
PFL.9.1.12.D.9	Relate savings and investment results to achievement of financial goals.
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.12	Compare and contrast the past and present role of government in the financial industry and in the regulation of financial markets.
PFL.9.1.12.D.13	Determine the impact of various market events on stock market prices and on other savings and investments.
PFL.9.1.12.D.14	Evaluate how taxes affect the rate of return on savings and investments.
PFL.9.1.12.D.15	Analyze how savings, retirement plans, and other investment options help to shift current income for purposes of tax reporting and filing.

## **Enduring Understanding**

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Through thoughtful choices and sound investment strategies, one can use disposable income to generate wealth.

A plan is only as effective as how it is followed.

## **Essential Questions**

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Why is time such an important factor in your savings/investment plans?

What gives money its value?

How does risk factor into your investment plans?

## **Knowledge and Skills**

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Explain how they can benefit from saving regularly.

Compare and contrast investing and saving.

Describe the relationship between risk and return.

Calculate outcomes using the "Rule of 72".

Differentiate between simple and compound interest.

Compare primary and secondary markets.

Name and discuss the various categories of investment information sources.

## **Transfer Goal**

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Demonstrate good money management and financial decision making abilities that help build wealth.

When a financial institution offers different packages, they come with pros and cons.

## **Resources**

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Textbook

Yahoo Finance

StockMarketGame.org

Morningstar

Investopedia

Youtube