Unit 03: Fundamentals of Investing Money

Content Area: **Business**
Course(s): **Investing**
Time Period: **4 weeks**
Length: **Weeks**
Status: **Published**

Unit Overview

Students will synthesize and apply their knowledge of the fundamentals of investing money.

Transfer

Students will be able to independently use their learning to better set and achieve their own short- and long-term financial goals.

Meaning

Understandings

Students will understand...

-Basic investment principles.

-Calculating and explaining Net Worth.

-Inflation and how it affects spending and investing.

-The relationship between risk and return.

-Different types of investment risk.

-Criteria for choosing an investment.

-Gathering financial information from various sources.

-Comparing various investment alternatives.

-The role of asset allocation and diversification.

Essential Questions

Students will keep considering...

-How does investing money affect your ability to meet your personal needs and wants?

-What are basic investment principles?

-How do I calculate and explain Net Worth?

-What is inflation and how does it affect spending and investing?

-What is the relationship between risk and return?

-What are different types of investment risk?

-What criteria can be used for choosing an investment?

-How can I gather financial information from various sources?

-What are some of my investment alternatives?

-Why should I understand the role of asset allocation and diversification?

Application of Knowledge and Skill

Students will know...

Students will know...

-Basic investment principles.

-How to calculate and explain Net Worth.

-What inflation is and how it affects spending and investing.

-The relationship between risk and return.

-Different types of investment risk.

-The criteria for choosing an investment.

-How to gather financial information from various sources.

-How to compare various investment alternatives.

-The role of asset allocation and diversification.

Students will be skilled at...

Students will be skilled at...

-Explaining basic investment principles.

-Calculating and explain Net Worth.

-Analyzing inflation is and how it affects spending and investing.

-Differentiating the relationship between risk and return.

-Analyzing the types of investment risk.

-Identifying and apply criteria for choosing an investment.

-Synthesizing financial information from various sources.

-Comparing various investment alternatives.

-Analyzing the role of asset allocation and diversification.

Academic Vocabulary

Investing terms and concepts related to the fundamentals of investing money i.e. Net Worth, inflation,spending, investing risk and return, asset allocation, diversification, etc.

Learning Goal 1

SWBAT: Synthesize and apply their knowledge of the fundamentals of investing money.

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PFL.9.1.12.A.3	Analyze the relationship between various careers and personal earning goals.
PFL.9.1.12.A.9	Analyze how personal and cultural values impact spending and other financial decisions.
PFL.9.1.12.B.1	Prioritize financial decisions by systematically considering alternatives and possible consequences.
PFL.9.1.12.B.6	Design and utilize a simulated budget to monitor progress of financial plans.

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.5	Justify the use of savings and investment options to meet targeted goals.
PFL.9.1.12.D.6	Analyze processes and vehicles for buying and selling investments.
PFL.9.1.12.D.7	Explain the risk, return, and liquidity of various savings and investment alternatives.
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.11	Assess the role of revenue-generating assets as mechanisms for accruing and managing wealth.
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.
PFL.9.1.12.E.2	Analyze and apply multiple sources of financial information when prioritizing financial decisions.
PFL.9.1.12.E.3	Determine how objective, accurate, and current financial information affects the prioritization of financial decisions.
CAEP.9.2.12.C.9	Analyze the correlation between personal and financial behavior and employability.

Target 1

SWBAT: Explain basic investment principles

- SWBAT: Explain basic investment principles

Target 2

SWBAT: Calculate and explain Net Worth.

- SWBAT: Calculate and explain Net Worth.

Target 3

SWBAT: Analyze inflation is and how it affects spending and investing.

- SWBAT: Analyze inflation is and how it affects spending and investing.

Target 4

SWBAT: Differentiate the relationship between risk and return.

- SWBAT: Differentiate the relationship between risk and return.

Target 5

SWBAT: Analyze the types of investment risk.

- Analyze the types of investment risk.

Target 6

SWBAT: Identify and apply criteria for choosing an investment.

- SWBAT: Identify and apply criteria for choosing an investment.

Target 7

SWBAT: Synthesize financial information from various sources.

- SWBAT: Synthesize financial information from various sources.

Target 8

SWBAT: Compare various investment alternatives.

- SWBAT: Compare various investment alternatives.

Target 9

SWBAT: Analyze the role of asset allocation and diversification.

- SWBAT: Analyze the role of asset allocation and diversification.

Summative Assessment

- Unit Test

Formative Assessment and Performance Opportunities

- Class Discussion
- Completion of Vocab

- Presentation of Ideas
- Review of worksheets/projects
- Teacher Observation
- Use of technological resources for quick assessment

Accommodations/Modifications

- Collaborate in small groups organized by student level and preference to apply the fundamentals of investing money
- Extra problems for extra practice remediation and/or enrichment
- Quizlet

Unit Resources

- Board Games
- Book Companion Website
- Chapter PowerPoints
- DECA Role Plays
- Desktop Computer
- Document Camera
- Guest Speakers
- Managing Your Personal Finances 6E
- Microsoft Excel
- Videos
- Wall Street Journal & other business publications
- Workbook

Interdisciplinary Connections

LA.RST.11-12.3	Follow precisely a complex multistep procedure when carrying out experiments, taking measurements, or performing technical tasks; analyze the specific results based on explanations in the text.
LA.RST.11-12.9	Synthesize information from a range of sources (e.g., texts, experiments, simulations) into a coherent understanding of a process, phenomenon, or concept, resolving conflicting information when possible.
LA.WHST.11-12.9	Draw evidence from informational texts to support analysis, reflection, and research.
MA.K-12.1	Make sense of problems and persevere in solving them.
MA.K-12.5	Use appropriate tools strategically.