

THINK CRITICALLY

Handwrite your responses in the space below; 2 sentences each.

1. How is investing money different from saving money?
2. Why are savings accounts often safer than other investments?
3. List three short-term goals that could be reasons for saving.
4. What is an emergency fund, and why should you have one?
5. Why does meeting long-term goals often require saving and investing? Give two examples of long-term goals that can be met with money from investments.
6. What is financial security?
7. When should you begin retirement planning?



EXCEL PROBLEMS

Use Excel to solve the problems below and email the spreadsheet as an attachment.
MAKE SURE TO USE FORMULAS IN YOUR WORK!
 (don't just type the answers)

Goals for Saving and Investing

People have many purposes for saving and investing. These purposes can be defined in terms of goals, both short-term and long-term.

1. Create a table in Excel with four columns similar to the one shown below. The column headings should be as follows:
 - Personal Goals
 - Financial Goals
 - Steps to Take
 - Timeline
2. List at least one short-term and two long-term personal goals in the table.
3. List a financial goal for each personal goal. Include steps to take and a timeline for each goal. Enter the total amount of money you think you will need to meet each goal.

Personal Goal	Financial Goal	Steps to Take	Timeline
Short-Term Goals			
Take a camping trip next summer	Own camping gear and have money for transportation and supplies	Save \$50 per month	6 months
Attend a concert in a nearby city	Have money for a ticket, hotel room, food, and transportation	Save \$75 per month	4 months
Long-Term Goals			
Travel in a motor home	Own a motor home and have money for gas and traveling expenses	Invest \$200 per month at a high rate of return	10 years
Swim in my own pool	Have a swimming pool constructed at my home	Invest \$125 per month at a high rate of return	6 years