INTRO TO INVESTING

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GROWING CENTS: INTRO TO INVESTING

This resource is designed to help you build a solid understanding of how investing works — from the basics of stocks and bonds to the long-term power of compound growth. You'll work through realistic scenarios, experiment with investment decisions, and get a sense of how to approach money strategically over time.

This Kit Includes:

- ★ The Basics of Investing
- ★ Build Your First Investment Plan
- ★ Scenario Challenges
- ★ Invest or Not?
- ★ Further Reading and Resources

Work through each section at your own pace — there's no right or wrong order. No prior investing knowledge is needed, everything you need to learn is included!

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THE BASICS OF INVESTING

What is Investing?

Investing means putting money into something (such as stocks or bonds) with the expectation that your money will grow over time.

Why Invest?

- Beat Inflation
- Build Long-Term Wealth
- Prepare for Big Goals

The Power of Compound Growth

Reinvesting the money you earn from investments can generate more earnings

"Money making money" — even small amounts can add up significantly over time

Common Types of Investments

Stocks	You own a small part of a company
Bonds	You lend money to a company or government
Mutual Funds	Collection of investments managed together

Risk vs. Reward

Higher risk investments typically have higher potential returns

Lower risk investments tend to have more stable returns

Key Terms

Return	The money you earn on an investment
Diversification	Spreading your money across different investments
Portfolio	Your collection of investments

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BUILD YOUR FIRST INVESTMENT PLAN

Imagine you have $1,000 to invest. You want to start building long-term wealth — maybe for college, a car, or even just to learn how investing works.

Your Task:

Choose how to invest your $1,000

OPTION	DESCRIPTION	COST	RISK LEVEL	POTENTIAL RETURN
STOCK A	A tech company growing fast	$300	High	High (can double — or lose value)
BOND B	A government bond with fixed interest	$200	Low	Low (slow, steady growth)
FUND C	A mix of 100+ companies	$400	Medium	Moderate (diversified growth)
SAVINGS D	A savings account with 1% interest	$100	Very Low	Very Low (safe, but barely grows)

Explain Your Thinking

Why did you choose this mix?

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SCENARIO CHALLENGE

Now its YOUR turn to apply the concept in different scenarios!
Think about what you've learned and circle your answer!

SCENARIO 1

You've saved $500 from a part-time job and are deciding what to do with it.

A) Put it in a savings account so you can use it for something fun this year

B) Invest it in a mutual fund and leave it there for 5+ years

SCENARIO 2

You're building your first portfolio and looking at two options.

A) Choose a hot new tech stock that could double in a year — or lose half its value

B) Choose a balanced fund with slower, more stable growth

SCENARIO 3

You want to save for a down payment on a car in 3 years.

A) Put the money into a stock-heavy portfolio to try to grow it faster

B) Stick with lower-risk bonds and savings so you know it'll be there when you need it

SCENARIO 4

You've just learned about a new company you really believe in.

A) Invest all your money in that one company

B) Split your money between that company and a few other safer options

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INVEST OR NOT?

Decide whether each item is a good example of investing, saving, or spending.

For each example below, circle or mark one:
A) Invest B) Save C) Spend

The Game:

Putting money into a retirement account
A) Invest B) Save C) Spend

Buying a new phone
A) Invest B) Save C) Spend

Earning interest from a mutual fund
A) Invest B) Save C) Spend

Keeping $50 in a piggy bank for emergencies
A) Invest B) Save C) Spend

Buying stock in a sneaker company
A) Invest B) Save C) Spend

Paying $5 for coffee
A) Invest B) Save C) Spend

Setting aside money in a savings account for college
A) Invest B) Save C) Spend

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FURTHER READING AND RESOURCES

Curious to learn more? These sites and tools are a great next step if you want to build your financial skills, learn how the market works, or even try investing for the first time.

Investopedia

Great for understanding investing terms, stock market basics, and how different types of investments work.

NerdWallet

Beginner-friendly guides on personal finance topics, including how to start investing as a teen.

MarketWatch Stock Market Game

A free simulation where you can practice investing using virtual money.

Fidelity Youth Account

An actual investment account for teens ages 13–17, created with parental guidance in mind.

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