

- IT'S A -
**MONEY
THING**[®]

Junior

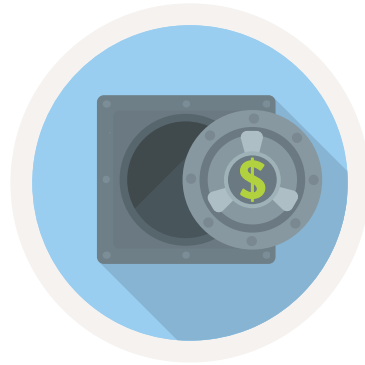
GROWING MONEY

BROUGHT TO YOU BY


HORIZON
CREDIT UNION

hzcw.org/trainingground

A savings account is a great place to store your money at first



It's safe and it pays a little interest

But it won't make you rich!



Growing your money requires that
you move some of it into investments
with a higher rate of return

The image features four coins with dollar signs on a white background. One coin is gold and is positioned in the upper center. Three coins are silver and are positioned at the top right, middle right, and bottom left. The text is centered on the white background.

Investing means putting your money into something that can potentially make you **more** money

Many financial experts suggest that your money should be growing somewhere between

5% and 10% per year

You won't get that from a savings account these days

Just compare \$100...

A blue circle with a white border and a long shadow, containing the text "1%".

1%

in a savings
account earning
1% interest
per year

A blue circle with a white border and a long shadow, containing the text "5%".

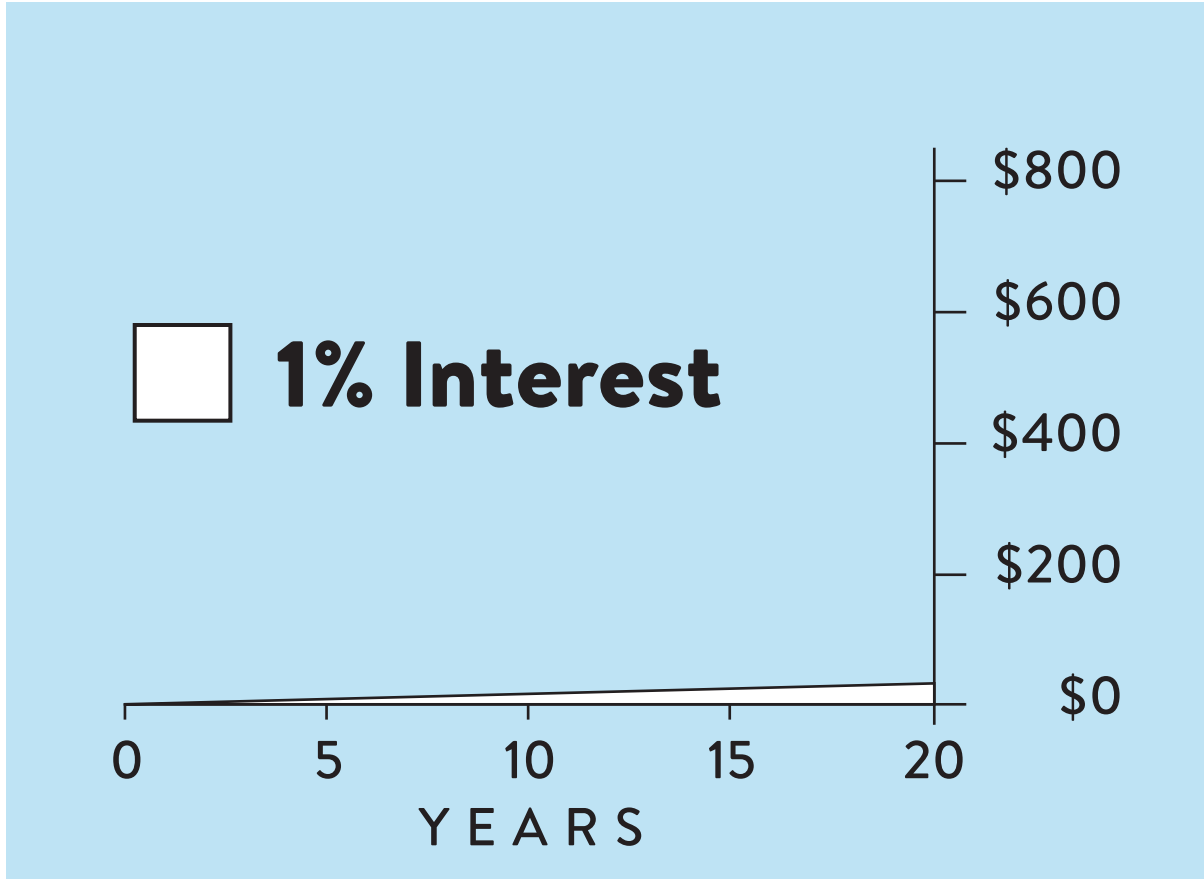
5%

in an investment
earning a return
of 5% per year

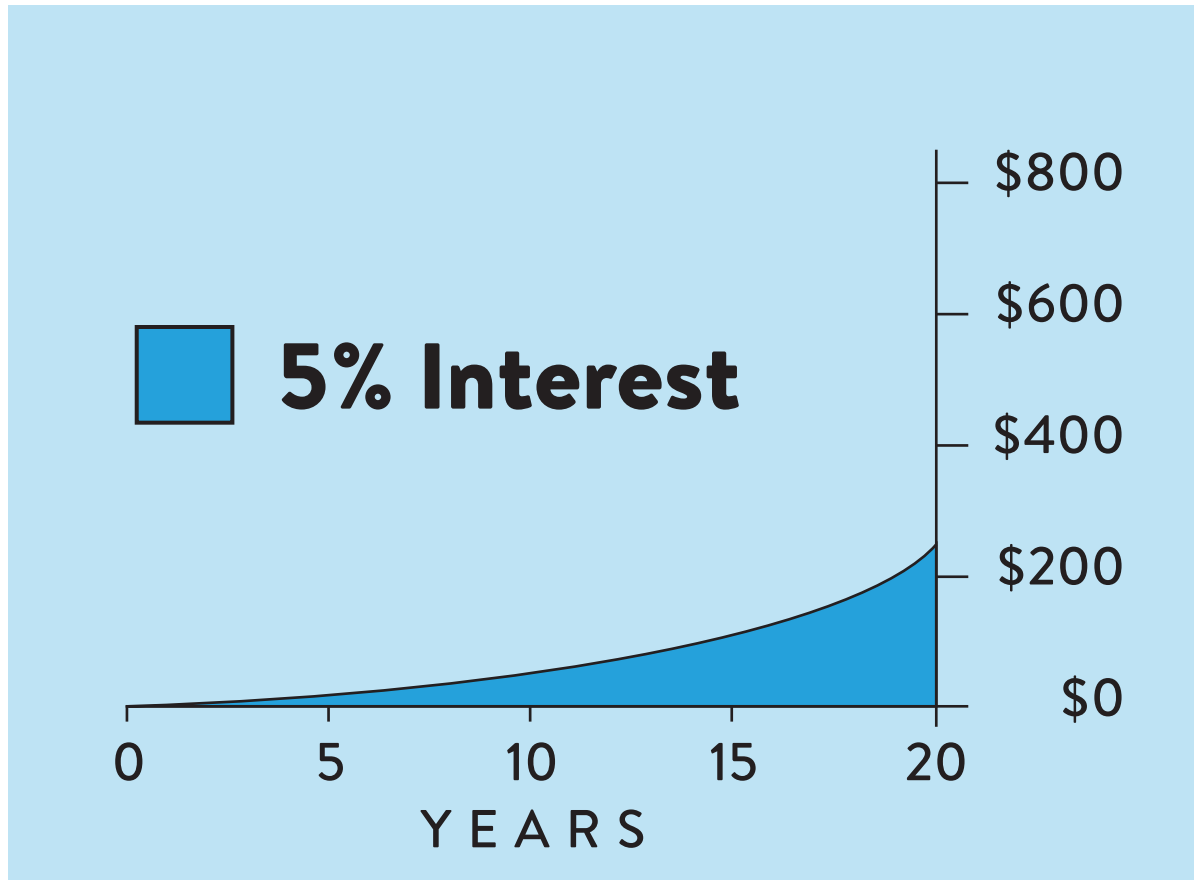
A blue circle with a white border and a long shadow, containing the text "10%".

10%

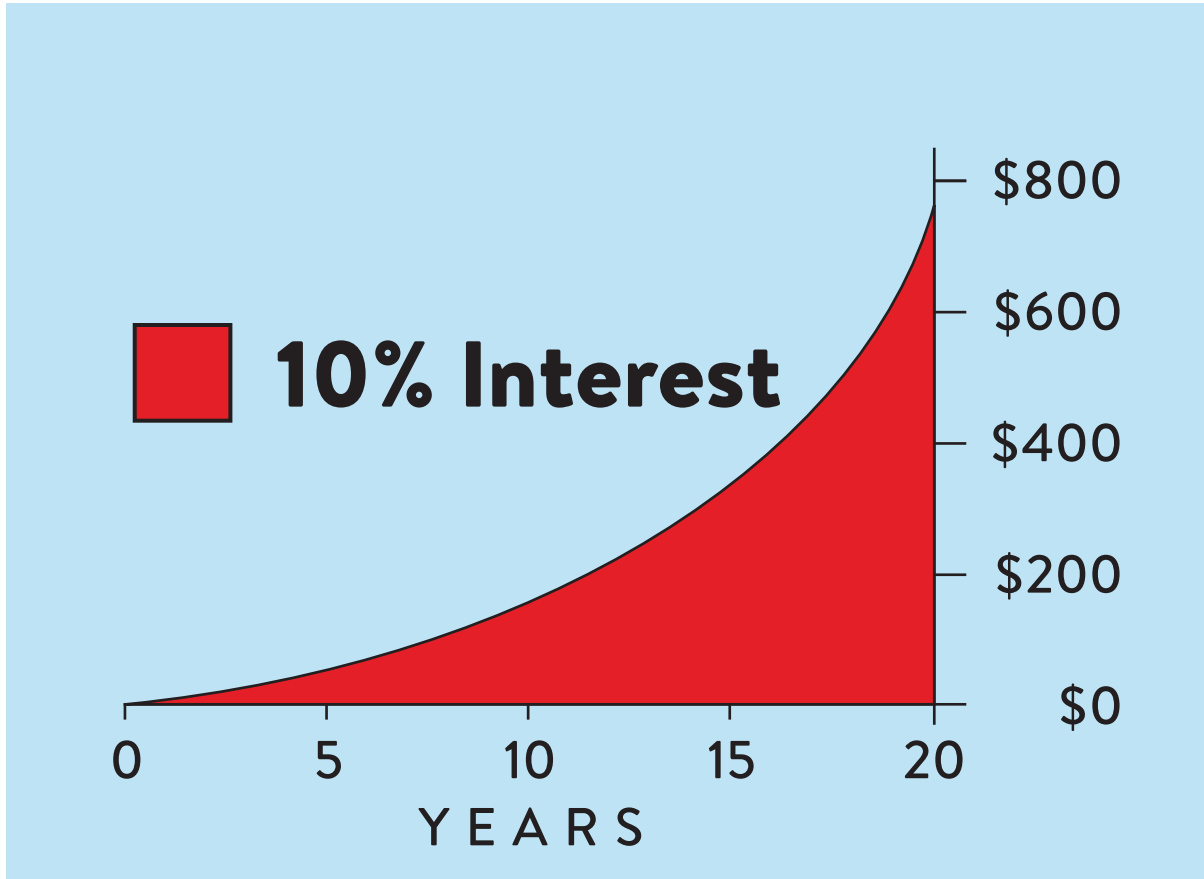
in an investment
earning a return
of 10% per year



At 1% interest,
you're earning
just a few
pennies per
year; after 20
years, you've
earned **only \$20**



With a
5% return,
you more
than double
your money to
\$271.85 after
20 years



And with a **10% return**, your money grows more than seven times to **\$738.70** after 20 years!

BUT I'M ONLY A KID!

Many of the investments that are described here are only available if you are over the age of 18...

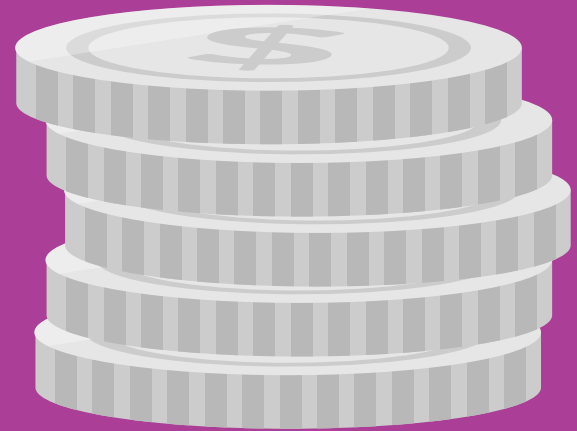
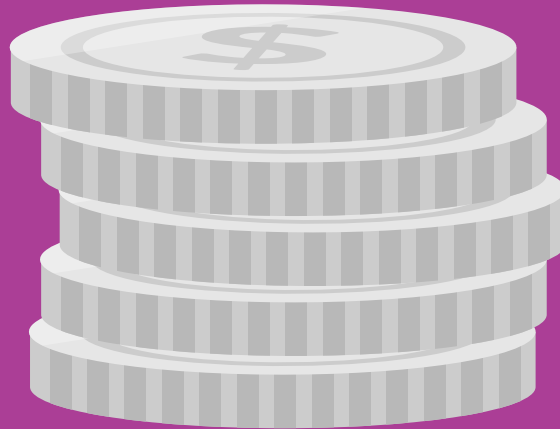
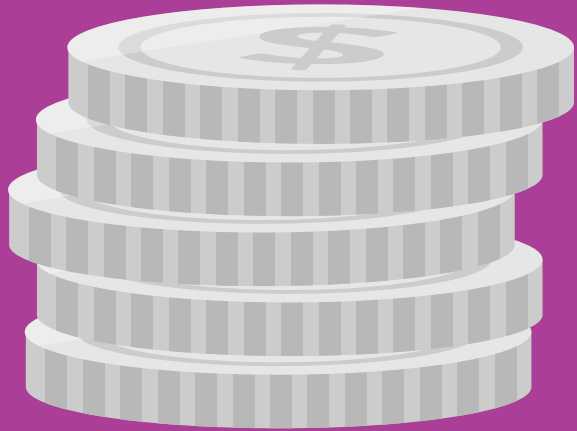
BUT I'M ONLY A KID!

However, if you do want to invest now, ask your parents or guardian to look into a custodial account with a broker

BUT I'M ONLY A KID!

You legally own the money in the custodial account; your custodian makes the investments on your behalf

What can you put your **money**
into to potentially make
you **more money**?





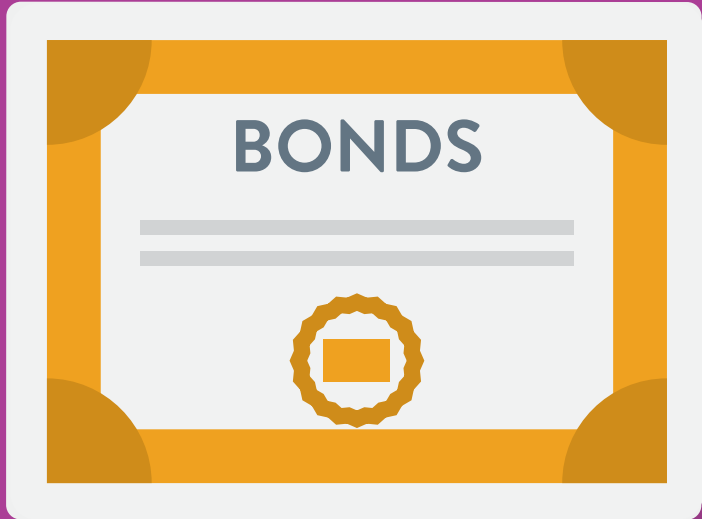
CERTIFICATE OF DEPOSIT

- Certificates of Deposit pay a little more interest than a savings account
- Low risk
- Available at your credit union or bank



STOCKS

- You become a part owner of a public company
- You can invest in a range of stocks, from “penny” (high risk) to blue chip (lower risk)
- Available through a stockbroker



BONDS

- You loan money to a company or to the government
- They promise to repay you with interest
- Bonds, which are usually a slightly lower risk than stocks, are rated by credit agencies for risk



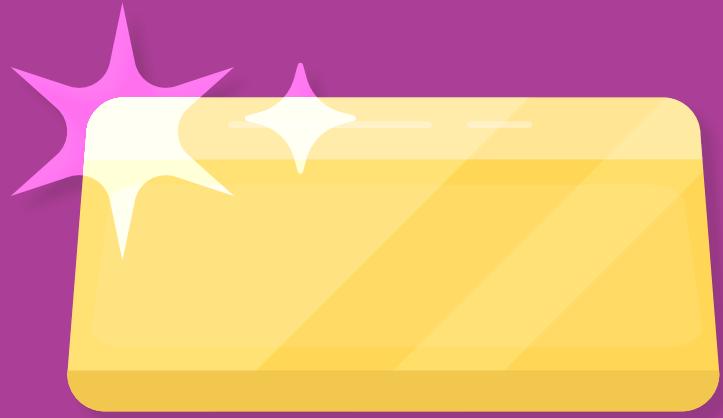
REAL ESTATE

- Invest directly in residential (like a house or condo) or commercial property (like a shopping mall)
- Invest indirectly or through real estate investment trusts (REITs)



COMPANIES

- You can invest in a company directly by lending the owners money
- You can also become one of the owners yourself
- High risk, with potential for high returns



COMMODITIES

- Commodities are the raw materials—such as precious metals, coffee beans, lumber and oil—that are used to make other things
- You can purchase a contract to buy commodities at a certain price

REMEMBER

All investment comes with risk

Do your research

Only invest money you can afford to lose

Diversify to spread the risk

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