

Lesson 2

Name: _____

Date: _____

The difference between saving and investing

Graphic organizer

Groups select from one of the two scenarios below, and then students calculate how long it takes to achieve their goal given each of the savings and investing options below. Represent each savings and investment option using a table of values, linear equation and line graph.

1. Your goal is to purchase a gaming computer that will cost you \$2,550. You have \$2,000 saved up. How long does it take to earn enough to buy the computer?
2. You start with \$1,200 in your bank. How long will it take you to save money for a \$1,800 vacation to Mexico?

Saving and investing options:

1. You keep your money under your mattress.
2. Savings account: You open a savings account with a simple annual interest rate of 3%.
3. Stocks: Your parents help you invest your money in the stock market. Your return on investment is 8% per year.

Statement:

Represent the statement with an equation:

Represent the statement with a table:

Year #	Money

Represent the statement with a graph:

