



TEACHING UNIT

General Topic: **Investing Money**
Unit Title: **Basics of Investing**
Grade Level: **Grade 8**
Recommended Curriculum Area: **Media Literacy**
Other Relevant Curriculum Area(s): **Language Arts**



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Media Literacy Curriculum Expectations

- 1.1 – identify the topic, purpose, and audience for more complex writing forms
- 1.2 – generate ideas about more challenging topics and identify those most appropriate to the purpose
- 1.3 – gather information to support ideas for writing, using a variety of strategies and a wide range of print and electronic sources
- 1.4 – sort and classify ideas and information for their writing in a variety of ways that allow them to manipulate information and see different combinations and relationships in their data
- 1.5 – identify and order main ideas and supporting details and group them into units that could be used to develop a summary, a debate, or a report of several paragraphs, using a variety of strategies

Relevant Language Arts Curriculum Expectations

Listening

- 1.1 – identify a variety of listening comprehension strategies and use them appropriately before, during, and after listening, in order to understand and clarify the meaning of increasingly complex and challenging oral texts
- 1.4 – demonstrate an understanding of the information and ideas in increasingly complex and difficult oral texts in a variety of ways

Speaking

- 2.2 – demonstrate an understanding of appropriate speaking behaviour in most situations, using a variety of speaking strategies and adapting them to suit the purpose and audience

Reading

- 1.3 – identify a variety of reading comprehension strategies and use them appropriately before, during, and after reading, to understand increasingly complex or difficult texts
- 1.4 – demonstrate understanding of increasingly complex and difficult texts by summarizing important ideas

Writing

- 1.3 – gather information to support ideas for writing, using a variety of strategies and a wide range of print and electronic sources
- 1.5 – identify and order main ideas and supporting details and group them into units that could be used to develop a summary, a debate, or a report of several paragraphs, using a variety of strategies
- 2.7 – make revisions to improve the content, clarity, and interest of their written work, using a variety of strategies

Relevant Economic Expectations

- Investment is key to making improvements in our economy
- Different kinds of basic investments (GICs, stocks, bonds, mutual funds)
- How the stock market works
- Investing can result in losses as well as gains
- Different kinds of investment income (interest, dividends, capital gains)
- Roles of banks and other financial institutions in investment
- The “Rule of 72” to help predict the growth in value of an investment
- The impact compound interest can have on investments

Background Information

Students need to be aware that investments are key to improving our economy. Therefore, it is important that they know about the different ways to invest. By learning about the kinds of investments, hopefully they will be able to start saving and investing wisely. If students learn about the stock market and how it works, when they get older stocks may become part of their investment portfolio. They need to be aware of the risks and rewards involved in all types of investments. If they haven't already opened a bank account, they will likely be doing so soon. This unit will help them to see how compound interest can impact their savings.

Overview Of The Unit

Most of the concepts in this unit can be found and taught by accessing a website sponsored by the U.S. Mint. The students will spend two periods researching information at this website, and completing a worksheet.

When they are finished the research sheets, the students can play some games at the same website to learn more about investing and saving money. They will discuss how investments improve the economy. The last activity requires the students to choose a large company and track the stock of that company for two weeks. This activity will be discussed after it is completed.

Estimated Time Frame: 3 periods - 60 minutes each

Suggested Implementation Strategy

Period 1 - 60 minutes RESEARCH INVESTING ON THE INTERNET

- Begin by asking the class if they would like to know how to make their money grow.
- Tell the class that they will access an internet website called "The Mint" and research some important concepts about investing.
- Direct the class to the following internet website at: <http://www.themint.org/teens/index.html> and start by clicking on the tab titled "Tips for Teens."
- Distribute a research worksheet to each student, or pairs of students, if there are not enough computers for everyone.

Period 2 - 60 minutes

- Tell the students to continue with their research worksheets during this period.
- When the students are finished, they are to click on the Tab titled "Saving." Here, they will learn about the impact that compound interest can have on investments. Their reward for finishing is having time to try some more activities about saving money.
There are four games to try.
 1. Saving Calculator
 2. When Will You Be a Millionaire
 3. The Compounding Calculator
 4. The Truth About Millionaires Quiz

Period 3 - 60 minutes INVESTMENTS

- Begin the class with a discussion about how investments improve the economy. Ask the following questions:
 - When a company hires people and buys new equipment, how does it help the economy? (new jobs, more work for companies who provide equipment, etc.)
 - When people buy stocks in a company, how does it help the company improve the economy? (the company can grow, make new innovations, etc.)
 - If you had money to invest, in what company would you buy stock?

A Stock Market Game

- Explain to the class that they will use computers to play a game that gives them a chance to track the stock of a large company, e.g. Coca Cola, Home Depot. The class will choose a company and follow the stock, watching for gains and losses during the specified time period. They are to record their tracking of the stock for two weeks. It is sponsored by prongo.com. Here is the link: <http://www.pronto.com/stock/index.pl>
- At the end of the two weeks, the class will discuss the results of their stock tracking.

Possible Evaluations

1. The research worksheets can be collected and marked.
2. Class participation can be tracked.
3. The students may hand in the results of the stock tracking activity.

Other Internet Activities

1. Visit this website to learn about a calculator that allows kids to see how an investment can grow over time. <http://www.bankofcanada.ca/rates/related/investment-calculator/>
2. Visit this website that explains seven ways of investing your money. It includes an example to demonstrate the types of investments. It is sponsored by The Oracle Education Foundation. <http://library.thinkquest.org/3096/>
3. Visit another website that has a lesson on investing for fun or profit - e.g., collectibles like stamps and baseball cards. <http://www.econedlink.org/lessons/index.php?lid=553&type=educator>
4. Visit another website sponsored by RBC that contains more information about investments. http://www.rbcroyalbank.com/resp/_assets-custom/pdf/rmf_ed_guide_e.pdf
5. Visit another website that easily explains the Rule of 72. <http://betterexplained.com/articles/the-rule-of-72/>
6. Visit this website to learn how to play the Live “Stock” Adventure. It is a fun and educational activity for middle school students in grades six to eight. The goal of the Live “Stock” Adventure is not only to raise students’ awareness of the value of saving and investing, but also to provide an innovative way to practice specific math skills such as calculating percentages and computing multi-digit numbers. <http://beforeyouinvest.ca/2011/10/live-stock-adventure/>

Other Resources

Here are two books that are available.

1. **Wow The Dow!** — *The Complete Guide To Teaching Your Kids How To Invest In The Stock Market* — By Pat Smith and Lynn Roney Cost \$17-20, Publisher: Fireside; Original edition ISBN-10: 0684871491
2. **Growing Money** — *A Complete Investing Guide for Kids* — By Gail Karlitz
This book is written for kids age 9–12, to teach them about the different ways to make money grow. They learn about stocks, bonds, mutual funds, and how to pick the right investments. There is an investment game in the last chapter. It is highly recommended by economic experts as a great book for teaching children economics, financing and investing in a fun way. Cost \$8–9 ISBN-10 0843174811

Modifications or Suggestions For Different Learners

1. Students can work in pairs to do the research worksheet, to try the computer games, and to track a stock.

Handouts/Resources

1. Student Research Worksheet
2. The Mint internet website, sponsored by Northwestern Mutual Foundation, Milwaukee, WI
3. Prongo.com

Student Investment Research Quiz <http://www.themint.org/teens/index.html>



Name: _____

Find definitions for the following terms:

1. GIC's (or Certificates of Deposits)

2. STOCKS

3. BONDS

4. MUTUAL FUNDS

5. What is the Stock Market?

6. What is interest?

7. Who is a shareholder?

8. What kinds of investments are guaranteed?

9. Why are stocks a higher risk investment?

10. What is the Power of 72?
