**Instructional Guidelines for *Financial Freedom***

**Chapter 10: Investing for Your Future**

In this chapter, students learn all about financial assets. They explore the stock market and identify risks and benefits of different types of financial assets. As a final assessment activity, they complete a financial decision-making activity based on the information they have gathered from the text and their research.

**Lesson Instructions**

1. **Introduction (121):** Students read the introduction. Discuss what they know about investing. Have you heard about the stock market? What is it? Why do people invest?
2. **What is Financial Investment (122-3):** Students conduct some research on saving account tips for each generation. After conducting their research, they write an advice column. They should read some columns online and analyze the structure of the text and/or graphics to consider how the structure helps make points clear, convincing, and engaging. They should use these as a model for writing their own Financial Investment Advice column. They can also use graphics.
3. **Interest (124):** Students read and complete the activity about interest. Discuss.
4. **Stocks (125):** Students read about stocks. Then they learn how to read a stock listing in the newspaper and answer the questions.
5. **Stocks and Risk (126):** Students read about the risk of stocks. Then they conduct online research about risk factors. They record and share what they discovered.
6. **Other Financial Assets (126-128):** Students learn about other financial assets.
   1. **Mutual Funds (127):** After reading, students define mutual funds and describe why they are less risky than individual stocks.
   2. **Less Risky Investments (127):** After reading, students create a graphic organizer that compares and contrasts CDs and MMDAs.
   3. **Bonds (127):** After reading about bonds, students research different bonds online and compare: face values, interest rates, and maturity dates. They use the formulas included in the reading to calculate the amount they would make when the different bonds mature.
   4. **Other Financial Assets (128):** Students interview three friends or family members about their experiences with other financial assets, such as: collectibles, real estate, and owning a business. They fill in the chart and discuss.
7. **Diversification (128):** Before reading, students predict the meaning of diversification. Then, while they read, ask them to determine the meaning through the text. After reading about diversification, students interview people about investments. As a summary, they answer the question: To diversify or not to diversity?
8. **Florida Stock Market Challenge (129):** If you would like to engage your students in this activity, visit the Florida Council on Economic Education (FCEE).
9. **Decision Making for Investing in a Stock (129):** (Possible Assessment Activity). Students use what they learned in the text to make a personal decision about future investment opportunities. Discuss their different decisions.

**NGSSS Standards for Financial Literacy**

[SS.912.FL.5.1:](http://www.cpalms.org/Public/PreviewStandard/Preview/8586)Compare the ways that federal, state, and local tax rates vary on different types of investments. Describe the taxes effect on the after-tax rate of return of an investment.

[SS.912.FL.5.3:](http://www.cpalms.org/Public/PreviewStandard/Preview/8588)Discuss that buyers and sellers in financial markets determine prices of financial assets and therefore influence the rates of return on those assets.

[SS.912.FL.5.4:](http://www.cpalms.org/Public/PreviewStandard/Preview/8589)Explain that an investment with greater risk than another investment will commonly have a lower market price, and therefore a higher rate of return, than the other investment.

[SS.912.FL.5.5:](http://www.cpalms.org/Public/PreviewStandard/Preview/8590)Explain that shorter-term investments will likely have lower rates of return than longer-term investments.

[SS.912.FL.5.8:](http://www.cpalms.org/Public/PreviewStandard/Preview/8593)Discuss ways that the prices of financial assets are affected by interest rates and explain that the prices of financial assets are also affected by changes in domestic and international economic conditions, monetary policy, and fiscal policy.

[SS.912.FL.5.9:](http://www.cpalms.org/Public/PreviewStandard/Preview/8594)Examine why investors should be aware of tendencies that people have that may result in poor choices, which may include avoiding selling assets at a loss because they weigh losses more than they weigh gains and investing in financial assets with which they are familiar, such as their own employer’s stock or domestic rather than international stocks.

[SS.912.FL.5.10:](http://www.cpalms.org/Public/PreviewStandard/Preview/8595)Explain that people vary in their willingness to take risks because the willingness to take risks depends on factors such as personality, income, and family situation.

[SS.912.FL.5.11:](http://www.cpalms.org/Public/PreviewStandard/Preview/8596)Describe why an economic role for a government may exist if individuals do not have complete information about the nature of alternative investments or access to competitive financial markets.

**Language Arts Florida Standards**

LAFS.1112.L.3.6: Acquire and use accurately general academic and domain-specific words and phrases, sufficient for reading, writing, speaking, and listening at the college and career readiness level; demonstrate independence in gathering vocabulary knowledge when considering a word or phrase important to comprehension or expression.

LAFS.1112.RI.1.1: Cite strong and thorough textual evidence to support analysis of what the text says explicitly as well as inferences drawn from the text, including determining where the text leaves matters uncertain.

LAFS.1112.RI.2.4: Determine the meaning of words and phrases as they are used in a text, including figurative, connotative, and technical meanings; analyze how an author uses and refines the meaning of a key term or terms over the course of a text (e.g., how Madison defines faction in Federalist No. 10).

LAFS.1112.RI.2.5: Analyze and evaluate the effectiveness of the structure an author uses in his or her exposition or argument, including whether the structure makes points clear, convincing, and engaging.

LAFS.1112.RI.3.7: Integrate and evaluate multiple sources of information presented in different media or formats (e.g., visually, quantitatively) as well as in words in order to address a question or solve a problem.

LAFS.1112.SL.1.1: (If using discussion) Initiate and participate effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on grades 11–12 topics, texts, and issues, building on others’ ideas and expressing their own clearly and persuasively.

LAFS.1112.SL.1.2: Present information, findings, and supporting evidence, conveying a clear and distinct perspective, such that listeners can follow the line of reasoning, alternative or opposing perspectives are addressed, and the organization, development, substance, and style are appropriate to purpose, audience, and a range of formal and informal tasks.

LAFS.1112.WHST.1.2: Write informative/explanatory texts, including the narration of historical events, scientific procedures/ experiments, or technical processes.

LAFS.1112.WHST.3.9: Draw evidence from informational texts to support analysis, reflection, and research.