



Financial Literacy: Secondary - Understanding Effective Investment Practices

Connections to Financial Literacy

Describe the financial literacy knowledge and skills which will be addressed and assessed in this lesson as they relate to the curriculum expectations. Financial literacy knowledge and skills could include, but are not limited to:

- personal financial planning such as budgeting, saving and investing;
- implications of financial decisions;
- planning for the future.

Introduction to Business BB1, Finance, Grade 10

Curriculum Expectations

List full overall and specific expectations addressed in this lesson using the following format:

Finance

Demonstrate an understanding of effective investment practices

- 1.1 demonstrate differences between saving and investment

Learning Goals

State learning goals in direct, explicit, student-friendly language.

At the end of this lesson, students will know, understand and/or be able to examine ways that money makes money. Students should outline the ideas of risk and return associated with certain investments and savings plans.

Instructional Components and Context

Readiness:

List what students need to know and be able to do before beginning new learning.

- Know the difference between income, spending and discretionary income
- Know the difference between risk and return
- Know about banks, credit unions, tangibles, other people's business, your own business and lending

Diagnostic Plan = a quick personal investment plan that examines the premise of not putting all eggs into one basket

Terminology:

- Investing
- Tangibles (real estate)
- Other People's Business (stocks, mutual funds)
- My Own Business (entrepreneur)
- Lending (bonds, GIC's, corporate bonds)

Materials:

- Basic school supplies
- Computer workstations & internet
- Chart paper (possibly)

Minds On

Story about a restaurant owner who has succeeded
Video called Money Makes the World Go Around (link: <http://www.youtube.com/watch?v=NYYsC-TE70Q>)

Connections

Groups of 4-5 ⇒ How Money Makes Money Grid

Description

In groups, students will select from one of four categories:

1. Tangibles
2. Other People's Businesses
3. My Own Business
4. Lending

Students will then examine the characteristics, return and risk of these various classes of investments for **one** of these categories. Once they are done, the groups will share answers to form a completed grid. Students will 'teach' others what they have examined with teacher support.


Guiding Questions:

1. *What are the ways that people make money*
2. *What are some riskier investments*
3. *What are some safer investments*

Assessment:

A¹⁰⁰L Teacher-student interaction
Teacher monitors through diagnostic questions

A¹⁰⁰L Students share insight with others - 'teach others'

	<p>Students complete chart Students reflect on progress</p> <p>AOL Assessment of learning</p> <p>Identify:</p> <ul style="list-style-type: none"> ▪ Grid ▪ Provide students with a scenario where students advise a family member on how money makes money (by outlining advantages and disadvantages to various investment instruments) ▪ For example “You have just been given \$3000, your goal is to attend University in three years, examine options and why you would select one instrument over another” <p>Differentiated Instruction:</p> <p> students use auditory skills (video), group skills, communication skills, writing skills, movement skills discussions skills, variety of media (print and web)</p>
<p>Consolidation</p> <ul style="list-style-type: none"> ♦ Providing opportunities for consolidation and reflection ♦ Helping students demonstrate what they have learned 	
<p>Description: A crossword with terms that we have talked about throughout the lesson – for example:</p> <p>invest, tangible, lending, entrepreneur, mutual fund, real estate, banks, interest rate, Canada Savings Bond, Corporate bond, wealth, capital, income, savings, options, dividends, profit, revenue, taxes</p>	