



BUILDING FUTURES IN MANITOBA

TEACHING UNIT

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



The Building Futures Project is sponsored across Canada by IG Wealth Management. CFEF extends our appreciation to IG Wealth Management for their generous support.

Possible Curriculum Integration Points

Grade 8 Language Arts Recommended

Outcomes

- **Develop Understanding** – Recognize and articulate the value of connecting prior and new knowledge and experiences to shape and extend understanding.
- **Comprehension Strategies** – Use comprehension strategies including reflecting on and assessing meaning, skimming, scanning, close reading, and identifying and relating in own words the main and supporting ideas appropriate to the type of text and purpose; use a variety of strategies such as concept mapping, and mental rehearsal to remember ideas.
- **Textual Cues** – Use textual cues [such as organizational features of narrative and expository texts, bold print, italics, footnotes...] to construct and confirm meaning and interpret texts.
- **Use Personal Knowledge** – Examine personal knowledge of, and experiences related to, a topic to determine information needs.
- **Ask Questions** – Formulate a variety of relevant questions on a topic to establish a purpose for seeking information.
- **Assess Sources** – Use pre-established criteria to evaluate the currency, usefulness, and reliability of information sources in answering inquiry or research questions.
- **Record Information** – Make notes using headings and sub-headings or graphic organizers appropriate to a topic; reference sources.
- **Develop New Understanding** – Organize new information and connect it to prior knowledge; reflect on the impact of new information on the inquiry or research process.

Other Relevant Curriculum Area(s)

Grade 8 Mathematics

Outcomes

- Develop number sense.
- Percents can be thought of as a ratio comparing to 100 or a fraction out of 100.
- Percents can range from 0 to higher than 100.
- Percents, fractions, decimals, and ratios are different representations of the same quantity.
- Percents have the same value as their fraction, decimal, and ratio equivalent, and this can be useful in solving problems with percents.

Relevant Economic Outcomes

- 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. Students need to know about the stock market and how it works. When they get older, they may want to invest in the stocks. 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. It will help them to see how compound interest can impact their savings.

Overview of the Unit

The students will spend two periods researching information and completing a worksheet.

When they are finished the research sheets, the students can play some games 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 them class that they will access internet websites to research some important concepts about investing.
- Direct the class to the following internet websites at:
 1. <https://www.canada.ca/en/financial-consumer-agency/services/savings-investments/investing-basics.html>
 2. <https://ideas.nationalbank.ca/managing-your-money-wisely-in-canada/>
- 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, access the following website: <http://www.themint.org/teens/saving.html>. They are to click on the Tab titled “Saving.” They are to read all the titles on the left under “Discover”. Their reward for finishing is having time to try the games listed under “Play”.

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:
 1. 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.)
 2. When people buy stocks in a company, how does it help the company improve the economy? (the company can grow, make new innovations, etc.)
 3. 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 see how the stock market works. They are to open one of the three website choices and register in order to play the game. 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. Here are the website links:
 1. <https://www.stockmarketgame.org/>
 2. <http://www.pbs.org/wgbh/nova/stockmarket/virtual.html>
 3. <https://www.howthemarketworks.com/>
- 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. Access the CFEE website (Canadian Foundation for Economic Education) and read Module 13, Putting Your Money to Work, Saving and Investing
<http://moneyandyouth.com>
3. 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
4. Visit another website that easily explains the Rule of 72.
<http://betterexplained.com/articles/the-rule-of-72/>

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. CFEE (Canadian Foundation Economic Education)

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?

