

NAME: _____

DATE: _____

ACTIVITY

Save or Invest?

What + Why: How you handle your money depends on what you need it to do and when you need it to do it. Knowing when to save and when to invest can protect your goals and grow your future.

Instructions:

1. With your group, read each of the following scenarios and decide how the money in that situation would best be handled:
 - **Save:** Keep the money in a savings account where it earns steady interest and is available when you need it.
 - **Invest:** Put the money into an investment account where it may grow more over time, but the value can rise or fall before the money is needed.
 - **It Depends:** The right choice changes based on timing, access needs, and comfort with value changes.
2. Before selecting an action, discuss these three guiding questions:
 - How soon will this money be needed?
 - If something unexpected happens, how quickly would this money need to be available?
 - Would it be okay if the value changes (up or down) before the money is used?
3. In the chart provided, select an action for each scenario (save, invest, or it depends).
4. In the space provided, explain your reasoning using details from the scenario.



Scenario	Action	Reasoning
Scenario 1: Car Replacement Your car won't last much longer. You will likely need to buy a used car within the next 18 months and estimate needing about \$3,000 for a down payment and fees.	☐ save ☐ invest ☐ it depends	
Scenario 2: Study Abroad Program You hope to participate in a study abroad program in about three years and will need around \$6,000 to cover travel and program costs.	☐ save ☐ invest ☐ it depends	
Scenario 3: Retirement Savings You're 22 and want to begin setting money aside now so you can retire comfortably at age 65.	☐ save ☐ invest ☐ it depends	
Scenario 4: Professional Certification Exam To qualify for a promotion, you must pay \$900 for a certification exam within the next 9 months.	☐ save ☐ invest ☐ it depends	
Scenario 5: Building Wealth You have extra income and no specific short-term goal. You simply want to grow your money over time.	☐ save ☐ invest ☐ it depends	