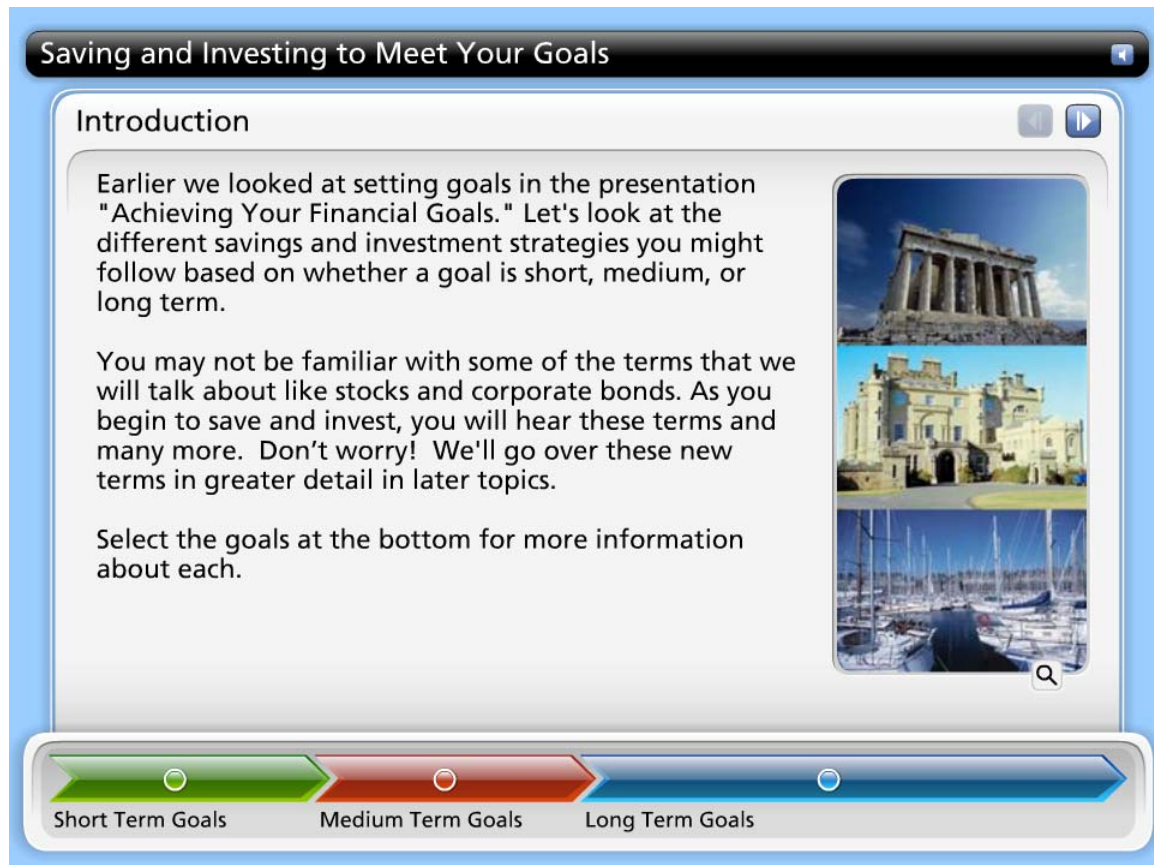


Saving and Investing to Meet Your Goals

Introduction



The screenshot shows a presentation window with a title bar that reads "Saving and Investing to Meet Your Goals". The main content area is titled "Introduction" and contains the following text:

Earlier we looked at setting goals in the presentation "Achieving Your Financial Goals." Let's look at the different savings and investment strategies you might follow based on whether a goal is short, medium, or long term.

You may not be familiar with some of the terms that we will talk about like stocks and corporate bonds. As you begin to save and invest, you will hear these terms and many more. Don't worry! We'll go over these new terms in greater detail in later topics.

Select the goals at the bottom for more information about each.

On the right side of the slide, there is a vertical stack of three images: a classical Greek temple, a large stone building, and a marina with many sailboats. A magnifying glass icon is located at the bottom right of the image stack.

At the bottom of the slide, there is a navigation bar with three colored arrows pointing right, each with a small circle above it. The first arrow is green and labeled "Short Term Goals". The second arrow is red and labeled "Medium Term Goals". The third arrow is blue and labeled "Long Term Goals".

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Short Term Goals

Saving and Investing to Meet Your Goals

Short Term Goals

Remember that short term goals are those that you can accomplish in less than a year with little planning, for example, saving for a class trip to Europe next summer. If you are going to save money for this trip, you would not want to just haphazardly invest that money in the stock market. Why not? Stocks can go and up down very quickly, and there's a good possibility you could lose your money, especially if you're only going to own the stock for a short time.

A better idea would be to put your money into something with a low risk factor. For example, you could place your money in a Certificate of Deposit (CD) that will mature right before your travel date. That



Short Term Goals

Short Term Goals Medium Term Goals Long Term Goals

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A better idea would be to put your money into something with a low risk factor. For example, you could place your money in a Certificate of Deposit (CD) that will mature right before your travel date. That way, you know you're going to get back an exact amount: your initial deposit plus interest.


Medium Term Goals

Saving and Investing to Meet Your Goals

Medium Term Goals

Would you like to own your own home one day? In 5-10 years you might want to buy a house. Since you have more time to save for this kind of purchase, you might want to consider some other savings and investment options that have a higher rate of return. For example, you could consider long term CDs or even mutual funds.

Mutual funds have some element of risk, but because you are investing for a longer period, you are not as susceptible to big downturns in the stock market. Later we will learn about risk more in depth, but for now you need to know any investment has some level of risk—the greater the potential to make high returns often



Medium Term Goals

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Long Term Goals

The image shows a presentation slide titled "Long Term Goals" within a window titled "Saving and Investing to Meet Your Goals". The slide contains two paragraphs of text. The first paragraph asks if the viewer wants to retire and travel around the world or just have a beach home, concluding that a retirement fund is necessary. The second paragraph lists investment strategies like stocks, IRAs, bonds, and CDs, emphasizing that starting to save early leads to more money at retirement. At the bottom, a progress bar shows three stages: "Short Term Goals" (green arrow), "Medium Term Goals" (red arrow), and "Long Term Goals" (blue arrow), with a callout box pointing to the "Long Term Goals" stage.

Saving and Investing to Meet Your Goals

Long Term Goals

Do you want to retire and travel around the world one day? Or, maybe you just want to retire and have a beach home. Regardless of how you want to spend your retirement, you'll have to have some type of retirement fund.

There are many different types of investment and savings strategies designed to help you reach your retirement goals including stocks, individual retirement accounts (IRAs), bonds, and CDs. Remember, the earlier you start saving for retirement, the more money you will likely have when it comes time to retire.

Long Term Goals

Short Term Goals Medium Term Goals Long Term Goals

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