

STUDENT ACTIVITY**Chapter 1****Internet Connection****Saving for Your Financial Future****EXPLORE**

Are you saving for a college education, a new car, or a dream vacation? Attaining your goal means understanding what it will cost and creating a financial plan.

Keywords: _____

DIRECTIONS

Using the Internet, locate a list of current interest rates for savings accounts and an online savings calculator. Complete the worksheet below and answer the questions that follow.

NET RESULTS

Web address for an interest rate listing

Assume that you have an initial savings deposit of \$1,000. Find the best savings interest rate available in your state. List the bank name and interest rate.

What interest rate is available with a minimum deposit of \$10,000?

How much would you like to save in the next three years?

What would you use the savings for?

Give the web address for an online savings calculator.

What monthly contributions will be necessary to achieve your goal? Use the interest rate in the first row for your calculation.

CRITICAL THINKING QUESTIONS



1. Banks offer a wide range of interest rates and account options. List two actions that you can take to make sure you are receiving the best interest rate possible on your savings account.

2. Based on your research on savings interest rates, what types of savings accounts can you identify? Which type of account offers the highest interest rates?

3. If you wanted to achieve your savings goal within the next three years, what changes in your spending habits might help you attain your goal earlier? Explain.

EXTENSION EXERCISE



Find the level of income that will be required for your dream lifestyle. Take the **Reality Check** test offered by the JumpStart Coalition for Personal Financial Literacy (www.jumpstartcoalition.org). After you have completed the test, answer the following questions.

1. Based on your test results, what hourly or weekly earnings will be needed to support your desired lifestyle?
2. What job examples were offered that would provide this level of income?
3. According to the Web site feedback, what level of education would be required to get a job that will support this lifestyle?

