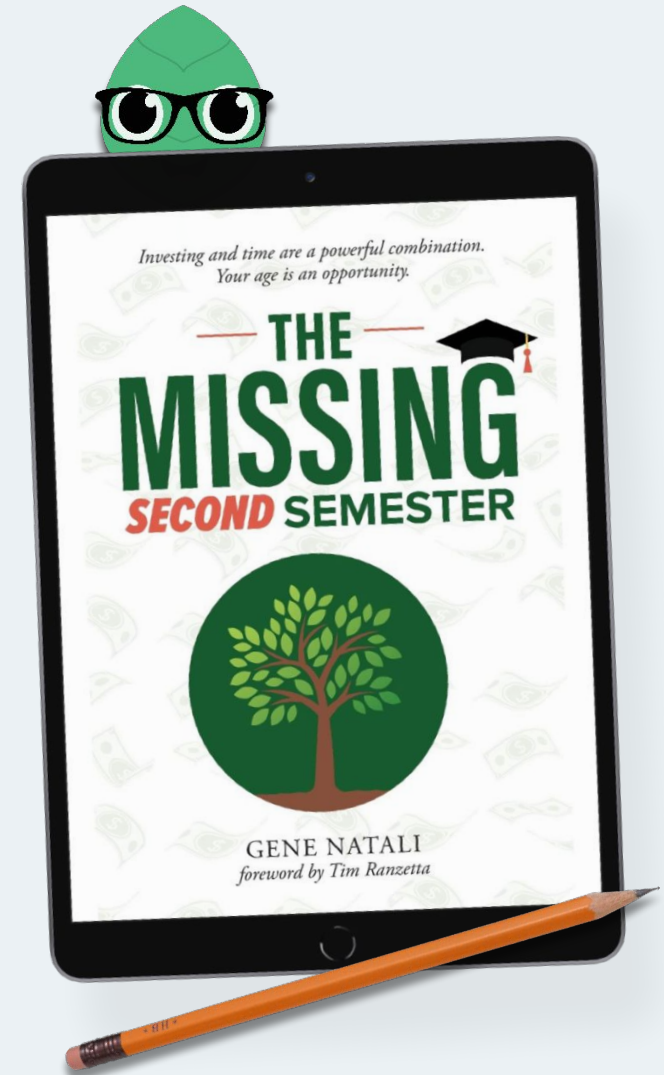


# THE MISSING SECOND SEMESTER

*CHAPTER DISCUSSION QUESTIONS*



TROUTWOOD

# BEFORE READING

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- What is financial literacy?
- How can your financial choices affect you now and in the future?

# CHAPTER 1: AVOIDING THE QUICKSAND

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- Discuss: What if you . . .
  - attend a less expensive college
  - buy a used car instead of new
  - payoff your credit card each month
- ★ How can any one of these choices affect your financial future?

# CHAPTER 2: PLANTING THE SEED

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We know a tree doesn't grow overnight.

- How can you relate your future financial plan to a tree?
- What do both of these things need?



# TIME

# CHAPTER 3: PREPARING FOR THE WINTER

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- What two tools can help prepare you for financial winters?
- How can these tools play a part in your financial plan?

# CHAPTER 4: THE POWER OF KNOWLEDGE

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- Agree or Disagree: The best investment decisions are those that give you the money to invest.
- Explain this mindset: Your income will not determine your ability to retire or live as you wish. It will be your savings and investments.

# CHAPTER 5: UNDERSTANDING OPPORTUNITY COSTS

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- Agree or Disagree: Opportunity cost is what you give up by making a purchase.
- Agree or Disagree: The difference between what we pay and what we can afford determines our future finances.

# CHAPTER 6: WHAT IT MEANS TO INVEST

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- Why is TIME your most valuable investment tool?
- Describe three money/investment vehicles that you can use in your financial plan.
- How can you develop yourself or invest in yourself to support your financial goals?



# CHAPTER 7: THINKING AHEAD

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- Discuss: A person can't borrow money to retire.
- What two investment options are discussed in this chapter?

# CHAPTER 8: THE STOCK MARKET AND THE S&P 500

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- What is the S&P 500?
- What types of companies can be found on the S&P 500?
- True or False: Any company can be a part of the S&P 500.
- True or False: Once you are on the S&P 500 is it a lifetime guarantee.

# CHAPTER 9: RULES OF INVESTING

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- Agree or Disagree: Let your saving dictate your spending.
- What are the three rules to stock market investing?
- What is Dollar-cost Averaging?

# CHAPTER 10: PREPARING FOR THE WORST

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- Stock market declines and market corrections do occur. In these periods, what can you do to position yourself and your financial plan to weather these circumstances?

# CHAPTER 11: THE DIVIDEND REWARD

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- What is a dividend?
- How is a dividend like a cash reward for investing?
- Explain the dividend rule: Before retirement, reinvest dividends; after retirement, use the money to live.

# CHAPTER 12: WHEN NOT TO INVEST

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- Agree or Disagree: Paying extra on student loans is more important than starting to invest since time is on your side.
- When should you NOT invest?

# CHAPTER 13: PUTTING IT ALL TOGETHER

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- Discuss: Your income and its tax rate are likely to increase with your age.
- How can a Roth IRA be helpful to you now as a young adult?
- Why is it so important to take advantage of a 401(k) match?

# DISCUSSION QUESTIONS

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- Discuss: Why do most retirees say: “I wish I had started saving earlier.”
- How can you become financially empowered?
- Discuss: Every dollar you lose through the ineffective use of your money is a dollar that can never work for you again.



# REFLECTIVE ESSAY

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- Select three concepts you have learned.
- Write an essay on how you see your future self applying these three concepts.