

# Youth and Investing: How to Grow Your Money at a Young Age

By: Youthful Savings







**Learning Objective:** This learning exercise aims to encourage youth to understand the basics of investing and how best to grow their money. An introduction into the common types of investments plus an investing plan for the present and future creates a perspective of abundance for the youth. A plethora of finance vocabulary will be utilized throughout the exercise in order to enhance the learner's finance knowledge and rhetoric.

## What is Investing?

According to Investopedia<sup>1</sup>, investing is the act of allocating funds to an asset<sup>2</sup> or committing capital to an endeavor (a business, project, real estate, etc) with the expectation of generating an income or profit. Theoretically, investing is meant to increase your net worth. However, not all investments are good investments and depending on the risk, it's possible to lose money. The key is to understand what you are investing in and if it is in line with your risk tolerance.

## Investing and Risk

Investments can vary. Some common types of investment vehicles include investing in the stock market, purchasing investment property (real estate) or even investing in startups as an angel investor. You can even invest in yourself by getting an education or starting your own company. When you do that, you're building equity in yourself.



Learn how to create your own business and built equity in yourself at a young age.



Learn how to invest in your college education and future vocation by budgeting and figuring out what you want to do when you grow up!

1. <https://www.investopedia.com/terms/i/investing.asp>

2. All bolded words are defined in the glossary at the end of this learning exercise