

# Smart Savers



## Investing Your Money

Investing is a way to make money with your money. But first, you have to earn some money. You may get cash from allowance, gifts, chores or babysitting. Try to save some of this– the earlier you start saving, the sooner you can reach your financial goals. Investing is like “planting money”. A small amount of money saved will often grow to a larger sum over time. You’ve heard the phrase, “Time is money”. With investing, time also makes money.

## Ways to Invest

There are several different avenues you can take to invest your money. Some are a little more involved than others.

**The Stock Market:** The stock market is an everyday term used to talk about a place where stocks and bonds are “traded” or bought and sold. Stocks are units of ownership in a company. The goal is to buy the stock, hold it for a time and then sell the stock for more than you paid for it. Stocks are considered a long-term investment.

**Certificates of Deposit:** You can invest in CDs right through your Credit Union. CDs pay a slightly higher interest rate than a regular savings account, and you can get them in a variety of terms– or length of time that you need to have the money in them.

**Money Market Accounts:** These accounts usually need to meet a minimum balance requirement, and the rate paid may vary depending on your balance. These accounts typically have some restrictions on them– such as how many times you can withdraw money each

month– but they also pay a higher rate than the typical savings account. You can get a Money Market Account right at your Credit Union also!

**Mutual Funds:** Like the name implies, this type of investment combines the money of many investors to buy many kinds of investments- like stocks, bonds, real estate, etc. In a mutual fund, a fund manager trades the fund’s underlying securities to realize a gain or a loss and collects dividends or interest income.

**Bonds:** When you buy US bonds, you are lending money to the federal government. US Bonds can be purchased at banks and include EE Bonds and I Bonds. With EE Bonds, you only pay half the “face value” - so you pay \$25 for a \$50 bond. Each year you keep the bond, the values increases as interest adds up. Even after the bond reaches the value printed on it, the bond will continue to earn interest– for up to 30 years from the date of issue. I Bonds are sold at face value (\$50 for a \$50 bond). They earn interest and can be cashed in to pay for college. The interest they earn changes every six months.

## Save Your Money— Spend Ours!

So, how does free money sound? Sign up to be entered into a drawing for a \$25 VISA gift card! Just fill out your name and age and send it into us at the address below– OR sign up online at [www.gaselectriccu.com](http://www.gaselectriccu.com). Look for the Member Clubs tab on the bottom of our website..

Name: \_\_\_\_\_

Age: \_\_\_\_\_

Please send entry to:  
Smart Savers Drawing  
2300 4th Avenue  
Rock Island, IL 61201

# Financial Scramble

1. tedopis \_\_\_\_\_
2. vaes \_\_\_\_\_
3. epdsn \_\_\_\_\_
4. ssganvi tcnauoc \_\_\_\_\_
5. kqhceni ccnuoat \_\_\_\_\_
6. oemny \_\_\_\_\_
7. vtisne \_\_\_\_\_
8. cewlaolna \_\_\_\_\_
9. gubedt \_\_\_\_\_
10. dcerti noiu \_\_\_\_\_
11. wtiawhdr \_\_\_\_\_
12. ntierts \_\_\_\_\_
13. mcoine \_\_\_\_\_
14. pliricnap \_\_\_\_\_
15. remmbe \_\_\_\_\_
16. rcycruen \_\_\_\_\_
17. dtrcie \_\_\_\_\_
18. boj \_\_\_\_\_
19. yub \_\_\_\_\_
20. heras \_\_\_\_\_

Learning how to handle money is an important skill. The earlier you learn, the easier it will be. Here are 20 words that have to do with money and credit unions. Unscramble the letters to figure out what the words are. If you don't know what a word means, ask your parents or anyone at the credit union to explain it to you. Good luck!

- Answers
1. deposit
  2. save
  3. spend
  4. checking account
  5. savings account
  6. bank
  7. invest
  8. allowance
  9. budget
  10. credit union
  11. withdraw
  12. interest
  13. income
  14. principal
  15. member
  16. currency
  17. credit
  18. job
  19. buy
  20. share

**Gas & Electric Credit Union**  
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