Education Content Created By Fidelity Investments

Your Money Adventure

04: Boost your plan

Facilitator Guide

04: Boost your plan

Purpose

The purpose of this facilitator guide is to provide an overview for 04: "Boost your plan." Use this guide in conjunction with the 04 PowerPoint Slides and speaker notes to prepare for your fourth session with participants. This guide includes speaking points to help you ask questions and prompt discussion to generate responses. In addition, there are suggested facilitator notes and a glossary to help maximize the session.

Module description

In this module, participants will learn the basics of investing, how investing can help grow their money, and the different risk levels associated with investing. Participants will collaborate with group members to identify stocks of interest, then research and analyze information about these stocks to be more informed consumers.

Learning objectives

After completing this module, participants will be able to:

- Identify additional investing questions they may have
- Share thoughts, images, ideas, and representations they have about investing and investors
- Understand the relationship between compound interest and time
- Learn basic types of investments
- Identify and reflect on their risk tolerance
- Learn how to research and analyze stocks using a stock research tool
- Collaborate with group members to research and analyze 2 brands of choices using a stock research tool
- Reflect on what to do if participants are ready to invest
- Learn 6 good investing habits
- Participate in an investing knowledge check
- Learn tips on how to explore more with investing

What you'll need

To make the most of your time, you should have the following:

- Facilitator computer, LCD projector, 04: "Boost your plan" PowerPoint slides, presenter script (digital or paper), participant guides (digital or paper), participant computers (depends on instruction being on-site or virtual).

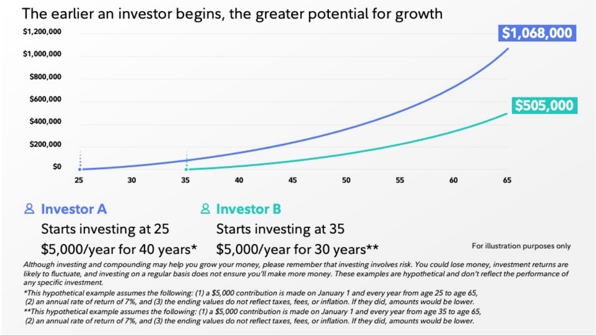
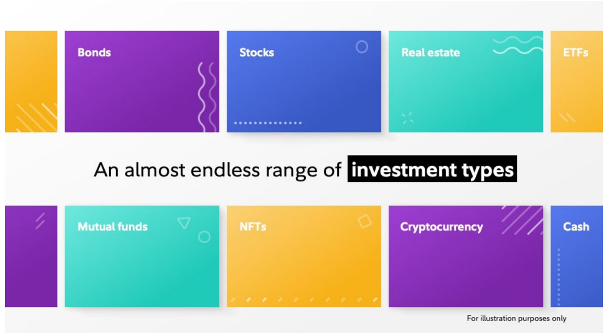
Module time

This module will take approximately 60 minutes. See slide 4 for specific timing breakdown.

Process

Use these prompts and speaking points
to help facilitate the discussion.

Slide	Content	Speaking point
8	Welcome. What questions, thoughts, or ideas do you have about investing? Question: Anything missing from this list?	Welcome. *Facilitator note:* Slide 8 shows a generic list of questions. Update your session's slide 8 with participants' investing questions. *Facilitator note:* You'll want to categorize and share what you found both in terms of experience and interests. Below is suggested commentary to help facilitate discussion. • Looking at your experience with investing, it sounds like some of you are brand new to this, while others may have only heard your parents talking about it. • Acknowledge what you'll be able to cover, but note that there will be time for questions either today or next time and you'd love to talk more about their experience and interests. *Participant responses will vary.*
9	Question: What images come to mind when you hear the word "investing"? Question: What do you think of when you hear the word "investing"? Question: Who do you picture when you hear the word "investor"?	*Participant responses will vary.* Give students a chance to respond. This is an opportunity for some good discussion. • *Facilitator note:* If participants are hesitant to come off mute, invite them to put their answer in one word in the chat and then you can narrate and discuss the terms they put there. • Respond to their thoughts
11	Question: What really is investing?	*Participant responses will vary.* *Response:* Investing is about putting your money into assets like stocks and bonds, with the intention of growing your money. If saving is about putting aside the money you worked for, investing is a possible way to make your money work for you.

Slide	Content	Speaking point	Thumbnail
12	Question: Where does this possible growth come from?	*Response:* Compounding returns. • When you invest money over the long-term, that money has the potential to grow in value. Earnings on your original contributions are added on top of the amount you put away. • And then over time, that cumulative effect could increase in value growing your earnings over time.	
13	Question: Who do you think ends up with more money at 65? a. If you think it's Investor A, type A in the chat. b. If you think it's Investor B, type B in the chat	*Facilitator note:* Ask participants to analyze chart on slide 13. Then ask: "Who do you think ends up with more money at 65?" Respond to participants based on their guesses for A or B. • If most participants choose A, point out that participants are really catching on. • If most participants choose B, explain that time is not on the side of investor B. *Response:* Investor A. • Investor A started investing only 10 years before Investor B. By investing that $50K earlier than Investor B, it's Investor A who ends up with nearly double what Investor B has at age 65. That's what it looks like when your money is working for you. • Although investing and compounding may help you grow your money, please remember that investing involves some level of risk. You could lose money, investment returns are likely to fluctuate, and investing on a regular basis does not guarantee you'll make more money.	
15	When it comes to investing, there are so many possibilities.	*Facilitator note:* Avoid describing unique asset class risk.	

Slide	Content	Speaking point	Thumbnail
19	Cryptocurrency	*Facilitator note:* Avoid getting into a discussion about crypto, its risk, and/or different types.	
20	Question: So, how risky are you?	*Facilitator note:* You may need to engage with participants to generate responses. Here are some prompts. • There's no right answer. In investing, we call that your risk tolerance. And what you're willing to risk can change depending on your age, personality, and life circumstances. • The more risk, the more potential for reward, but there are no guarantees when it comes to investing. That's because investing is all about putting your money toward something that you think will make money for you in the future, but we can't know for sure. • Luckily, it's not like you'll just make a random guess where to put your money. There's research and data that can help you make a smart choice. *Participant responses will vary.*	
22–25	Researching stocks	*Facilitator note:* This module has participants researching information about stocks. Use your favorite stock research page and share link with participants (e.g., Yahoo, Google, DuckDuckGo, or Fidelity.com.) Discuss and model the process for participants, then share the website with them.	

Slide	Content	Speaking point
22	Questions to ask: What company stock do you think you should buy? Why do you think it's a good choice? What could negatively impact the company?	Begin activity by asking participants to identify a stock to buy and reasons why. Here are sample responses: • Hershey's • Because it's Easter and they will sell a lot of candy • Shortage of supplies *Facilitator note:* Ask several participants for companies and responses to these 3 questions.
22	Let's get some information about this company.	*Facilitator note:* Display your computer screen with your favorite stock research site for participants. Use one of the participant's companies to model research.
22	Stock research process	*Facilitator note:* Direct participants regarding where you are going and reasons why as you go through the website. You are modeling the research process for participants using one of your participant's companies as the session example. Commentary includes: • We'll enter the company's name here, but you'll see each company is represented by something called a ticker symbol—a series of letters that identify the company for trading purposes. • Now let's see how Company X is performing today. The first thing you see there in bold is... • Begin with content in bold at the top. Ask: "What does the color mean? What does the percentage represent?" *Response:* These numbers fluctuate throughout the day as the current price or last trade is listed. If you see red, it represents the amount of money the stock is down from yesterday's closing price. If you see green, it represents the amount of money the stock is up from yesterday's closing price. The percentage is the total amount gained or lost per share since yesterday's closing price. *Participant responses will vary.*

<table>
<tr><th>Slide</th><th>Content</th><th>Speaking point</th></tr>
<tr><td>22</td><td>Stock research process</td><td>Facilitator note: Before proceeding, check in with all participants.
• In simple language, define and explain what terms mean. Continue with how investors use this information when looking at stocks and what is interesting about this information, etc.
• Highlight the following concepts: bid, open, day’s high and low, previous close, 52-week high, 52-week low, and volume. These terms are defined in the glossary.
• This should be a conversation with the participants. Offer your own insights (not recommendations) about what you’re looking at on the screen. Invite questions throughout and ask questions of them.
• Question: Why do we think an investor would be interested in knowing the 52-week high and low?
• Possible response: It’s important to compare current price of stock to the year’s high and low.
• Facilitator note: The examples shown on slides are shown for illustration purposes only. Use companies identified during the session to facilitate group discussion.</td></tr>
<tr><td>24</td><td>Small groups will be in breakout rooms researching stocks.
Directions: With your group, select 1 or 2 brands and use the stock research tool to research and record information.</td><td>Facilitator note: Share the link to your favorite stock research site for participants in the chat. Use one of the participant’s companies to model research in the chat. Let participants know they will want to have this website open before you send them into breakout rooms.
Facilitator note: Tell participants they will need to research and write down the following information about 1 or 2 brands they are interested in:
• The name of the company.
• The current stock price (bid) and the cost if you were to buy 10 shares today.
• The closing bid 10 years ago and the cost if you were to buy 10 shares.
• If stock isn’t 10 years old, that’s OK; just use the oldest recorded closing bid.
• Groups have 5 minutes; if you have extra time, look up a second company.
• Make sure you record what you find as you’ll be sharing when you return.
Facilitator note: Try to join all breakout rooms to ensure participants are following the process and answer questions they may have.</td></tr>
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Slide	Content	Speaking point
25	Participants return to main session for group share out. Question: What companies did your group lookup? Question: Which companies are performing better in today's stock market than 10 years ago? Question: Do any of you have companies whose stock is valued less than it was 10 years ago? Question: Did any groups have a big difference in stock value from 2012 through today? Question: Did any new questions come up for you? Question: Anything you're still curious about when it comes to stocks?	*Participant responses will vary.* *Facilitator note:* The group share may generate some discussion around the variety of companies and types of companies available to invest in. You might call out some of the sectors that you see well-represented in this mix or highlight areas traded on the stock exchange that aren't there. *Facilitator note:* Encourage all groups to share their companies and information they found. Suggested commentary: • As this exercise has shown, investing in stocks can be a great opportunity for growing your money but can also be risky and unpredictable. Let's imagine we invest in one of the well-performing stocks... • If you get anything from our discussion about investing today, it's that starting early can really (literally) pay off!

Slide	Content	Speaking point
26	Good investing habits.	*Facilitator note*: Discuss 6 good investing habits with participants. Below are the 6 steps in detail. 1. *Start with a plan.* Take stock of your situation, define your goals, and figure out the steps to get there. 2. *Be a super saver.* Save early and save often. Then save some more. 3. *Buy what you know.* Stick with the familiar, especially when starting out. 4. *Do your own research.* Find a company or investment doing well in the world and research it. 5. *Diversify investments.* Diversifying the types of investments you make helps reduce risk and helps you stick with your investing plan. Keep in mind that diversification by itself does not ensure you will make money or guarantee you won't lose money either. 6. *Keep your cool.* When markets get challenging, the best investors stick to their strategy.
26	Question: What's the next step if you're ready to invest?	*Participant responses will vary.* Slide 26 addresses question.
28	Knowledge check 1. T/F: Cryptocurrency is the least risky type of investment. 2. T/F: When it comes to investing, compound interest is a way to make your money work for you. 3. T/F: When it comes to investing, the younger you can start the better. 4. T/F: You can always expect a stock price to increase over the course of a decade. 5. T/F: Investing is just for old guys in suits.	*Facilitator note:* Invite participants to come off mute to share their answer. If there's hesitancy, ask them to put their best guess in the chat. Below are the answers with additional commentary. 1. *False.* Crypto is way up there at the jumping-out-of-a-plane level of risk and it's the kind where you can't always be sure your parachute will work. 2. *True.* Compound interest is the way your money makes money over time, simply by sitting there. 3. *True.* That's thanks to compound interest. Remember, starting at 15 is way better than starting at 25, or 35, or later! And it's a great way to set yourself up for financial freedom. 4. *False.* All we need to do is look back to the early 2000s, remember? That's why the longer you can stay invested the better as historically things will improve eventually. 5. *False.* You're all investors in my eyes! And what's cool about that is how small steps you could take today can help build wealth for tomorrow.

Slide	Content	Speaking point
29	Explore more Question: Are you ready to put your new investing knowledge to work, but still feel a little unsure?	*Participant responses will vary.* *Facilitator note*: Suggested commentary: 1. Pick a favorite company or two and start to track their stock using the same method we used together today. 2. Getting familiar with the way the market moves, how a stock performs over time, and the language of the stock market will get you grounded in the basics, so when you're ready to jump in, you know what to expect.

Closing comments

Thank participants for their participation and let them know they have now earned their "Savvy investor" pin. They are now prepared for the final session. Encourage participants to explore more about investing.

Glossary

04: Boost your plan

Term	Definition
Ask	The lowest price the investor (seller) is willing to sell the stock for.
Bid	The highest price the investor (buyer) is willing to pay to purchase the stock.
Bond	Bonds are debt investments—similar to an IOU. Borrowers sell bonds to raise money for a certain amount of time. When you buy a bond, you are entitled to receive a specified rate of interest during the life of the bond and to receive back your original investment when the bond comes due after a set time. Types of bonds include government, municipal, and corporate.
Cash	Cash is physical currency that is available to you to spend, save, or invest.
Compound interest	Compounding is money you earn on your money. This effect can work for you when investing or against you when borrowing money. Compound interest is the interest income that accrues on an initial sum of money and any accumulated interest over time.
Compounding return	Compounding return is the amount of money you earn on your money. It is usually stated as a percentage of the original amount.
Cryptocurrency	Cryptocurrency is a digital asset or currency that fluctuates in value based on how much is out there and how much people want it.
Day's high or low	The highest and lowest price a stock reaches on a particular day.
Diversification	Diversification in investing is the practice of spreading your investments around so that you don't have all your money in a single investment. This reduces your risk of losing all your money if one investment fails. Diversification and asset allocation do not ensure a profit or guarantee against loss.
ETFs	Exchange-traded funds (ETFs) are made up of a basket of other investments and are traded like stocks on a stock exchange. Many ETFs track an index (like the S&P 500).
Investing	Investing is spending money to buy a share of a stock, bond, or other investment type with the goal of making more money than what you started with.
Investor	Investors are typically in it for the long haul. They invest their money with a plan to ride out the ups and downs of the stock market (often over years), before selling their investments.
Mutual fund	Mutual funds are made up of a basket of other investments and are managed by an investing professional.

Term	Definition
NFT	NFTs (non-fungible tokens) are used to record ownership of one-of-a-kind digital items—kind of like a registry of deeds for online content. These tokens can be used to facilitate the sale of digital artwork, digital sports cards, individual tweets, and more. Unlike owning a physical item, owning an NFT doesn't necessarily mean you can prevent others from using the thing you own.
Previous close	The previous close is the price the stock closed at during the previous trading day.
Real estate	Real estate is property consisting of land and/or buildings.
Return	The return is the amount of money gained or lost when selling an investment. Returns are usually stated in percentages of the original amount.
Risk	Investing involves risk, including the risk of losing your money. Oftentimes, risk is misunderstood. Not all risk is bad, and if you're smart with it, it can be a useful tool—in finances and beyond. Understand the ins and outs of risk to be smart when deciding how much risk is right for you.
Spread	Spread is the difference between the stock "buying/bid" and "selling/ask" price of an investment.
Stock	A stock is a certificate of partial ownership in a company. When companies offer "stocks" or "shares" of their business to raise money, it allows people to buy and sell them on an exchange.
Stock market	The stock market is a place where you can buy and sell investments. It's typically not a physical place where you go, but a collection of all the stock exchanges that match buyers and sellers. Also known as stock exchange.
Ticker symbol	The ticker symbol is a series of letters assigned to a company for trade on a stock exchange.
Volume	Volume is the number of shares traded on a particular day of a company.
52-week high	The 52-week high is the highest price an investment is during a given 52-week period.
52-week low	The 52-week low is the lowest price an investment is during a given 52-week period.

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