

The Value of Saving Quiz

Covid-19 Remote Learning Week 8

Short Answer

1. Explain the two benefits of saving.
2. How does saving differ from investing.
3. Identify four common reasons for saving.
4. Why are you better off saving up for an item instead of purchasing it with credit right here and now?
5. Give four examples of emergencies one could run into that an “emergency fund” would help with.
6. What is the rule thumb when it comes to the amount of money you should have saved up in your “emergency fund?”
7. Name two benefits of saving your money in a bank account.
8. What is the definition of Investing?
9. What is the definition of Saving?
10. **Saving for Taxes-** Imagine that you just paid your annual property tax bill. This year’s bill came to \$1,894. You think it may be somewhat higher next year. You’d like to set aside some of your twice-monthly paycheck to save up for next years tax bill. How much would you save out of each paycheck?