

Getting Started with Investing

Name: _____

JA Dollars with Sense

Date: _____

Investing Basics Worksheet

Becoming investment wise is an important part of improving your financial health. Complete the activities below in tandem with the [Investing Basics: JA Dollars with Sense](#) video to help you get started.

[View video here](#)

Segment 1: Interest

Learning to invest starts with understanding interest and compound interest. Take a look at Table 1.1 and notice how the interest amount increases each year despite no deposits being made. That's because the interest is based on an increasing principal amount. As interest compounds, your money grows faster and faster. Complete the table year 3 and 4.

Year	Principal	Interest: 2%	Principal + Interest
		[principal x 0.02 = interest earned]	[becomes next year's principal]
1	\$100.00	\$2.00	\$102.00
2	\$102.00	\$2.04	\$104.04
3	\$104.04	\$_____	\$_____
4	\$_____	\$_____	\$_____

Table 1.1

Segment 2: Investment Vehicles

In Table 1.2, list 2 benefits and 2 limitations of each investment vehicle. Once completed, read the information about Tara and TJ below and identify the investment vehicle that best suits their goals.

Guaranteed Investment Certificate (GIC)

+ _____

+ _____

- _____

- _____

Mutual Funds

+ _____

+ _____

- _____

- _____

Stocks

+ _____

+ _____

- _____

- _____

Table 1.2

Scenario 1

Tara wants to attend a gaming convention that will be hosted in her city 2-years from now. Tara works part-time at her parent's restaurant and has managed to save \$250. Since her parents won't help her pay for her ticket, she is looking to invest in something that guarantees she will not lose any of the money she invests.

- GIC
- Balanced Mutual Fund
- Stocks

Scenario 2

- GIC
- Balanced Mutual Fund
- Stocks

TJ is only in grade 7, but he is already planning for university. He recently took a class that taught him the importance of starting to invest early. To help him reach his goals, TJ's grandparents gave him \$200 which he wants to invest in a diverse vehicle, managed by a financial professional. He doesn't plan on touching his money for at least 5 years.

Segment 3: Consider Your Goals

For a lot of young people, investing is not just a tool for improving financial health. It can also be used to positively impact the world. Responsible investing provides a powerful platform to promote change in your community and beyond. In Table 1.3, list 3 environmental or social issues that are important to you and explain why.

Issues	Why is it important?
Plastic Pollution	I live by the ocean and see its effect firsthand.

Table 1.3

Using the list created above, research and identify a company that aligns with your environmental/social interests. Go to [csrhub.com](https://www.csrhub.com) and use the search bar in the top right to learn about the specific company's ESG rating. Remember the ESG rating will be out of 100, with 100 being the highest, and 0 being the lowest score.

Company Name

ESG Rating

Segment 4: Responsible Investing

Tara and TJ are interested in investing in a company that aligns with their personal beliefs. Read about their interests, and the company descriptions below to help recommend which stock they should each invest in.

Tara

Tara loves to help people! As an avid gamer, Tara believes in the potential of technology to make the world a better place. She volunteers on weekends with a local organization that helps teach coding to kids in her community. Which company best matches Tara's values? _____

TJ

TJ is interested in climate change. At home, he is in charge of organizing the recycling and takes his job very seriously. He hopes that one day his town will ban the use of single use plastics. Which company best matches TJ's values? _____

Happy Tree Soda Co.

Voted the "Tastiest New Soda" in 2019 by YummMagazine, this soft drink company is growing fast. Going public for the first time in January 2021, the company hopes to raise enough money to switch all of its drinks into cans by 2025. ESG Rating: 93

We Build Computers Ltd.

This technology manufacturer has been around for over 50 years. Proudly Canadian, it has resisted moving its production facilities outside of the country. While this decision may have slowed the company's growth year over year, it has brought hundreds of technology focused jobs to small communities across Canada. ESG Rating: 90

Lady Bug Inc.

Started by two sisters in Northern B.C., this software company provides unique security solutions to mining companies. In order to help offset some of the social and environmental damages of the mining industry, the company donates a portion of its profits to recycling and donating old computers/tablets to low-resource communities. ESG Rating: 92