

Savings Worksheet YFF Week 5

MULTIPLE CHOICE WORKSHEET

- 1 What is the main focus of this week's lesson?**
 - a. Investing
 - b. Budgeting
 - c. Savings

- 2 What is the difference between saving and investing?**
 - a. Investing is low-risk, while saving has high risk
 - b. Investing helps fight against inflation, while saving loses value due to inflation
 - c. Investing and saving are essentially the same thing

- 3 What does FDIC stand for?**
 - a. Federal Deposit Insurance Corporation
 - b. Financial Depository International Corporation
 - c. Federal Deposit Interest Corporation

- 4 What is the function of FDIC insurance?**
 - a. To guarantee the safety of your money in the event of bank failure
 - b. To provide high interest rates for your savings account
 - c. To increase the amount of money in your account

- 5 How much insurance can you get from FDIC if a bank suffers severe losses?**
 - a. Up to \$100,000
 - b. Up to \$500,000
 - c. Up to \$250,000



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What is the main advantage of a savings account?

- a. It pays interest on cash
- b. It provides high returns on investment
- c. It is a low-risk investment option

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Should savings be used for day-to-day purchases?

- a. Yes
- b. No
- c. It depends on the amount of money in the savings account

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What is a money market account?

- a. An account that pays interest on cash and is associated with a bank or credit union
- b. An account that yields high interest rates and has more restrictions than a regular savings account
- c. An account that requires you to loan money to corporations

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What are certificates of deposit?

- a. A low-risk method for saving your money
- b. A type of bond that is backed by the government
- c. An account that yields higher interest rates but has a catch of not being able to access your cash for a while

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What are Treasury Bills/notes?

- a. An investment that pays you back with interest semi-annually
- b. A type of bond that is a low-risk method for saving your money
- c. An account that yields high interest rates but has more restrictions than a regular savings account

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What should you do to find the best bond?

- a. Research which one would best suit your needs and take your risk tolerance into account
- b. Invest in the one with the highest interest rate
- c. Choose one that has the least risk



Savings Answer Key

Answer key for worksheet above

1. C

2. B

3. A

4. A

5. C

6. A

7. B

8. B

9. C

10. A

11. A

