



GUIDED READING ACTIVITY 20-3

Saving and Investing



As you read, keep focused on the task. Stop regularly to review what you have just read and check your understanding before starting again.

Directions: Answer the questions below in the space provided. Use the information in your textbook to answer the questions.

1. Explaining In what way does saving benefit the economy?

2. Making Connections How are interest and principal related?

3. Comparing and Contrasting How are a money market account and a certificate of deposit (CD) similar and different?

4. Naming What is the term for a percentage of company earnings paid to stockholders?

5. Describing How are stocks and bonds different?

6. Explaining Why are mutual funds less risky than individual stocks or bonds?
