

Economis Flash Cards Grades 5-8

Below are some flashcards to use as a reinforcement of the concepts taught in the *Economis* lessons. This will help the students retain the information and do well on the post-tests. Cut out each row, fold on the middle line, tape the ends, and you will have a two-sided flashcard.

<p>Define <i>Interest</i>.</p>	<p>Money earned as a percentage of an investment.</p>
<p>What type of savings option is the following: You have access to your money whenever you want, but it doesn't grow, is not protected, and is not insured.</p>	<p>Piggy bank, cash, etc.</p>
<p>What type of savings option is the following: Your money may grow at a higher interest rate, but you can't touch it until the term you agreed to runs out.</p>	<p>Certificate of Deposit (CD)</p>
<p>What type of savings option is the following: Your money might not earn interest, but you can spend it without having to carry around a lot of cash.</p>	<p>Checking account</p>
<p>What type of savings option is the following: You can add or withdraw money whenever you want. Your money may earn some interest, and it's always insured, so you can't lose it.</p>	<p>Savings account</p>

<p>If you start a business and want to earn a profit, you need to: a) take in more money through sales than you spend in producing the goods or services you are selling; b) sell something that people want to buy; c) sell things at a price that people are willing to pay; d) all of the above</p>	<p>d) all of the above</p>
<p>What is one advantage of a credit card?</p>	<p>Answers may include: establishing credit, taking out loans or mortgages, emergencies.</p>
<p>What is one danger that a credit card user should be aware of?</p>	<p>Answers may include: debt; late fees from not paying bills on time; not going beyond the purchase limit.</p>
<p>What does it mean to invest in <i>Stock</i>, and how does it earn you money?</p>	<p>Investing in stock is buying a share of a company. If the company earns money, you gain money; if the company loses money, you lose money.</p>
<p>True or false: Investing in government bonds has a very high risk.</p>	<p>False. Government bonds are virtually risk-free.</p>

<p>What savings plan will make more money by the age of 65: Putting \$2000/year in a savings account from age 21-35, or putting in \$2000/year from age 35-65.</p>	<p>Putting in \$2000/year from 21-35. Although less money was put in, it built interest for a longer period of time.</p>
<p>Define <i>Gross Income</i>.</p>	<p>Income before taxes are taken out.</p>
<p>Define <i>Net Income</i>.</p>	<p>Income after taxes are taken out.</p>
<p>Inflation means that prices _____ as time goes by.</p>	<p>Increase</p>
<p>What type of account earns more money, one that pays simple interest, or one that pays compound interest?</p>	<p>Compound interest</p>
<p>Define <i>Scarcity</i>.</p>	<p>Unlimited wants and limited resources.</p>

<p>Fill in the blank: Because of _____, choices must be made.</p>	<p>Scarcity</p>
<p>If you open a savings account with 3% interest each year, how much will you have in one year if you deposited \$200?</p>	<p>\$206</p>
<p>If you open a savings account with 4% interest each year, how much will you have in one year if you deposited \$300?</p>	<p>\$312</p>
<p>What is the formula to determine the interest earned?</p>	<p>Interest = principal (amount deposited) x interest rate x time.</p>
<p>Define <i>Fixed Expense</i>.</p>	<p>An expense that stays the same on monthly, weekly, or yearly basis.</p>
<p>Define <i>Variable Expense</i>.</p>	<p>An expense that varies; it is dependent on the market.</p>

In a business, a _____ is when the money you earn in sales is greater than the money you spend in producing the goods and services you are selling.	Profit
True or False: Jesus never really talked about money very much.	False. Money was one of the subjects he talked about most.
If you open a savings account with 5% compound interest each year, how much money will you have in two years if you deposited \$100?	\$110.25