

NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

# Saving: A Way to Build Wealth

## How Will Your Money Add Up?

**Directions:** Go to the foundationsU.com website and find the investing calculator under “tools.” Then use the investing calculator to complete these scenarios.

- ① Select a financial goal, such as how much money you want to have when you retire or when you reach a specific age. Then calculate what you need to save now in order to reach your goal.

Goal Amount \_\_\_\_\_

I need to invest \_\_\_\_\_ per month for \_\_\_\_\_ years at 6 %.

12 %

- ② Now determine how much money you would have if you invested “x” amount of money each month for 10, 20, 40 and 50 years.

Saving \_\_\_\_\_ per month for 10 years will give me a lump sum of \_\_\_\_\_

Saving \_\_\_\_\_ per month for 20 years will give me a lump sum of \_\_\_\_\_

Saving \_\_\_\_\_ per month for 40 years will give me a lump sum of \_\_\_\_\_

Saving \_\_\_\_\_ per month for 50 years will give me a lump sum of \_\_\_\_\_

6%

12%

- ③ Explain how spending less and saving more contribute to wealth building.

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*Note: You can modify the interest rate to see how that affects your return on investment. We recommend 12% for long-term investments.*