

Difference Between Saving and Investment

Anit Patel | Tops Technology

What's inside



Saving vs. Investing

Learn the difference
between saving and
investing



Balancing Savings and Investment

Discover some tips on
how to balance saving
and investing



Why invest

Explore the benefits
of investing



Tips on investing

Get started with
practical tips on
investing

Are you a saver or a spender?

Imagine this: You just found \$100 on the ground.
What would you do with it? Would you stash it in your
wallet, spend it immediately, or try turning it into \$200?



Saving vs. Investing

The difference between
saving and investing



Savings

Setting aside money, typically
in a bank account, for
future use

Investing

Involves buying assets that
have the potential for higher
returns

Saving vs. Investing

	Savings	Investing
Type of goal	Often for short-term goals, such as saving for a large purchase or emergencies	May help reach long-term goals, such as planning for retirement or paying a child's education
Time it takes to access funds	Easily accessible	Often takes a longer time to access
Risk involved	Involves minimal risk and funds are often strictly regulated	Does not always guarantee a return and losing the invested funds is possible
Earning potential	Generally low	Has higher potential return compared to a savings account

How much should you **save vs. invest?**

A good starting point is
saving 20% of your income.

After building your
emergency fund, begin
allocating any extra funds
toward investments.

Financial goals for saving vs. investing

Saving

emergency fund

vacation or travel

new gadgets

car down-payment

property taxes

Investing

retirement

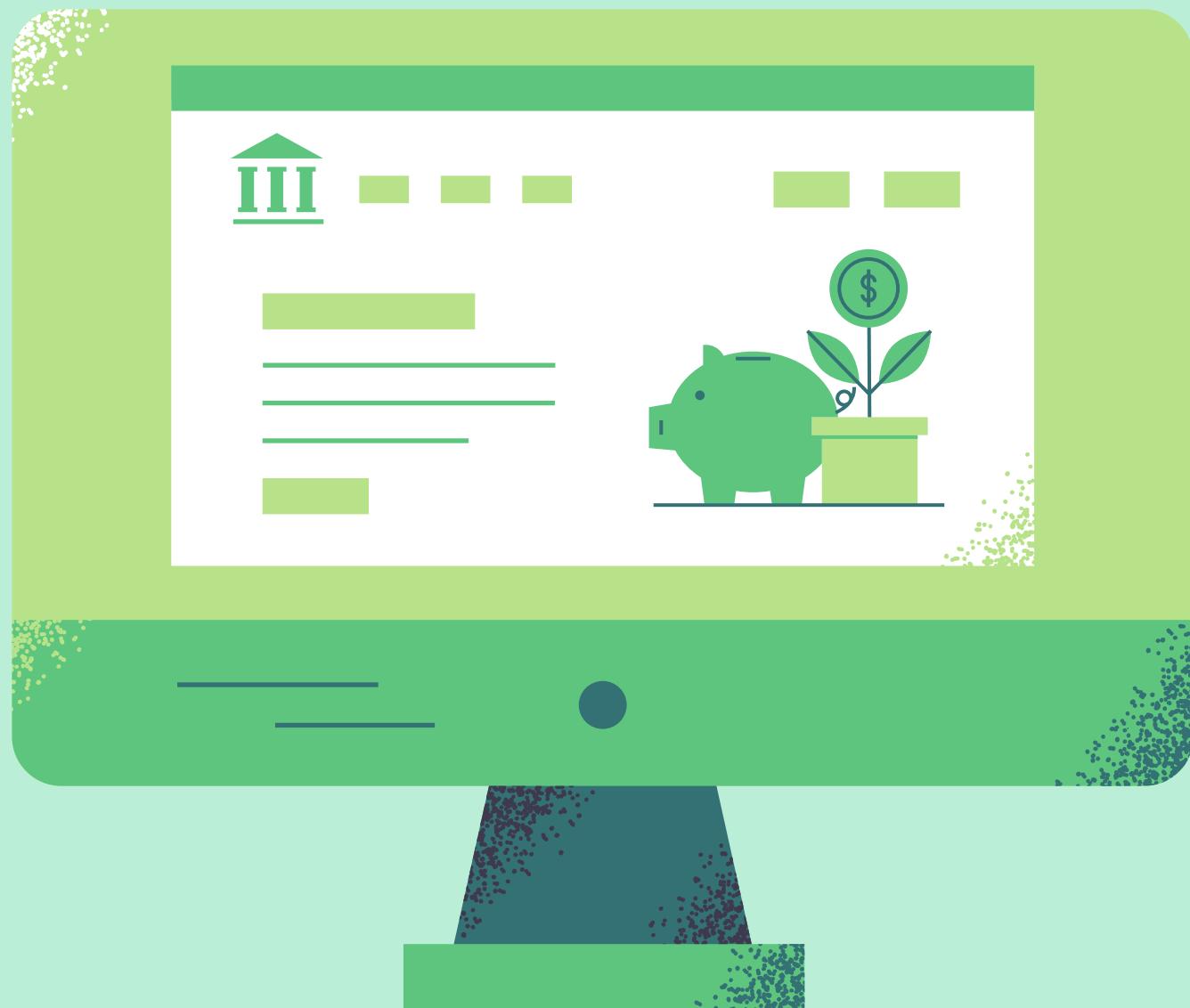
child's education

business

wealth growth

home ownership

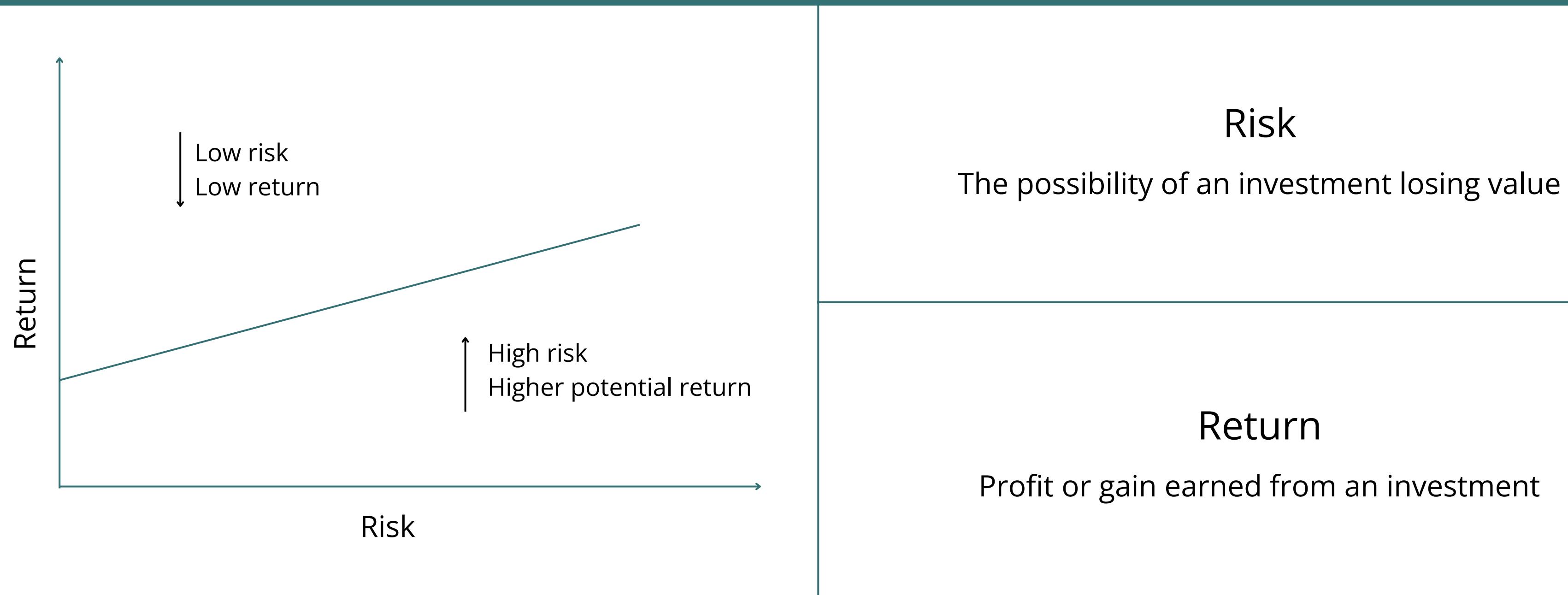
Why should you invest?



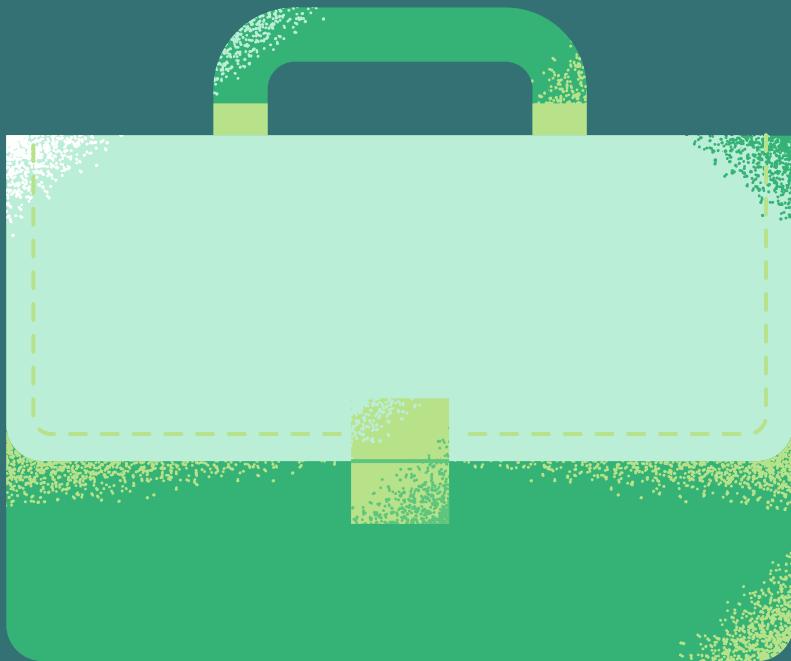
- Investing helps you **stay ahead of rising living costs** caused by inflation
- Long-term investments also offer the **potential for compound interest** and significant wealth growth

The risk-return tradeoff

Investments differ in their potential returns and market risk levels



Tips when starting to invest



Start by building an emergency fund

Setting aside 3-6 months' worth of living expenses is recommended.

Explore how to allocate your assets wisely

Balance risk and security by deciding how much to allocate to stocks, bonds, and other investments based on your financial goals and risk tolerance.

Diversify your investment portfolio

Owning a mix of investments can protect your money in case of market downturns.



Review

Savings vs. Investing

Savings involve setting aside money for short-term goals, while investing focuses on buying assets with the potential for higher returns.

Balancing saving and investing

A good starting point is to save 20% of your income and build an emergency fund before investing your extra funds.

Tips when investing

When investing, consider your risk tolerance and ensure you diversify your portfolio to manage risk effectively.

Explain investing using analogies

Investing can be intimidating for beginners. Think of a fun and simple analogy to explain investment terms and concepts, and present it creatively on a poster.

Got questions?

Email

anitpatel1133@gmail.com

Phone

910-478-2633

Thank you