Kaylee

Mr. Curry

Economics: Period 1

November 5, 2022

**August 17:**

* Share on Nov 5
* Don’t take out student loans
* Don’t need to go to a 4 year school to make money
* 65% of PUSD students that go to out of state since 2000 don’t graduate from that school
* Don’t have to go to a UC or Ivy to be successful
* 95% of adult decisions are financial related
* Start investing early
* CTC: control the controllable with their finances
* Tandem- diabetic company, $2.39, new pump for diabetic patients, is now $49.20
* DKWDK: don’t know what you don’t know
* Finance: money, loan, debt
* L104 on Monday

**August 18:**

What would you most like to learn about managing money?

* What are the different retirement plans, how do they work?
* How do you invest?
* How do you make a savings account?
* Budget every dollar, budget for fun
* What ways could you do better when it comes to managing your money?

What we know:

* Savin is important
* First house you buy, you pay lower taxes
* Good credit score is important
* Good retirement plan
* Budget your money
* Parameters within your budget
* Emergency fund→ high school goal of $500 and then increase as an adult
* If you plan for an emergency, it’s not an emergency
* Put work effort and rigor towards in finance, take finances seriously
* Know my limitations, don’t be afraid to have limitations
* Alan USC, Bob UCLA

Ch 1 Terms:

* Thousands of consumers are satisfied with this business’s goods and services.
* Because Martha hasn’t paid back any of her debt, she has a low credit score.
* She’s still in debt from her student loans.
* The economy is recovering from the pandemic.
* Her father has more financial literacy than she does.
* She agreed to pay for his ice cream, but said she would charge an interest fee.
* She took out a loan to start her new workout and fitness business company.
* Financial planners help you plan and manage your personal finance.

**August 19:**

* the basics of investing—> diverse portfolio—> allows money to grow in different aspects
* pay yourself first :
* emergency fund allows emergency to be less stressful
* short term funds—> save for fun
* wealth building—> building wealth portfolio—>i don’t have to be an expert in building my wealth portfolio : growth years —> income years
* my current age allows me to grow my portfolio longer
* largest slice of wealth portfolio should be what I’m most passionate about
* the time value of money : the sooner you start to save, the less you have to put away, look at how opening an IRA today can help you secure a comfortable retirement.
* growth years allows my money to work for me : more years for money to compound
* power of compound interest
* ROR: rate of return- 9% is what you want
* the rule of 72: dividing 72 by interest rate equals the number of years it takes for your money to double
* importance of ROR: your money can accumulate, your gonna get 23% return on my money if I invest now
* mutual fund: individual investors pool money together, makes money stronger. find a professionally managed fund
* typically mutual fund holds more than 150 stocks
* 3 Ds of investing:
* dollar cost averaging- investing a certain fixed amount each month, regardless of what’s happening in the stock market, does not assure a profit or protect against, allows you to build wealth over long haul
* you want a fluctuating market to be more efficient

**August 22:**

Unit 2 terms:

* Investors use **blue chip stocks** because they are reliable and can survive many market challenges.
* During a **bear market**, it is expected that all stocks will go down.
* After the great **bull market**, he gained a huge fortune.
* In addition to the **dividend**, he was also awarded a small raise.
* A big advantage of having a **Roth IRA**, is that you can have tax-free withdrawals in retirement.
* The **Dow Jones industrial Average** is the average of stock prices in major industries
* **Ticker symbols** represent a specific stock, especially during trading.
* All but 5 stocks in the **S&P** 500 were down that day, the S&P tracks stock performance.
* The **NasDaq** is the largest electronic stock exchange in the world.
* The **NYSE** is the oldest American exchange that uses an auction market.

APA Notes:

* Times new roman in size 12
* Double spaced
* Double click to get to header, check different first page header footer
* In header: Running head: SHORTENED TITLE→ if title is longer than 50 characters, use a shortened version.
* Insert→page number→ first box
* Bring cursor before number and hit tab until it is on the right hand side of the page
* Center, click enter key five times, type title of essay, then your name, and richmond community college
* Reference page: sort references in alphabetical order, hanging indent→ pull arrow on ruler to half of inch, and the rectangle back to zero.
* Ex: <https://docs.google.com/document/d/1raKn6pFFswm7sssrGpEHSTJYzycrQAUJlWEUEjyYem0/edit?usp=sharing>

**August 23:**

* You want the highest rate of return possible on your investments with no fees
* ROR allows your money to work for you
* Most gov and state entities have a 403(b), higher cap
* Financial portfolio- entity that shows financial losses and gains, diversify your portfolio→ less overall loss, cap your portfolio at 7 different entities

Top 2 entities and why:

* Charles Schwab IRA- has a large selection of funds with no transaction fees, best overall
* Sofi IRA- good for beginners, no advisory fee to manage IRA portfolio for you
* Deep dive into these 2, assets, how many people use, who created it
* 7-10 total things on the two entities
* 1963: Chuck Schwab and two other partners launch Investment Indicator, an investment advisory newsletter.
* 1972: Chuck Schwab buys all stock from what was once Commander Industries.
* 1973: The corporate name changes to Charles Schwab & Co., Inc.
* 2014: Schwab Retirement Plan Services is the first to launch an innovative 401(k) program based on low-cost exchange-traded funds.
* Schwab makes an industry-leading move, reducing U.S. stock, ETF and options online trade commissions from $4.95 to $0
* Based in San Francisco, SoFi provides financial products including student and auto loan refinancing, mortgages, personal loans, credit card, investing, and banking through both mobile app and desktop interfaces.
* SoFi Invest offers a range of retirement accounts and 401k rollover options. We offer Traditional, Roth, and SEP IRAs, and can help with the rollover process. Yes, you can open multiple IRA accounts.
* Mike Cagney, James Finnigan, Ian Brady, and Dan Macklin founded soFI

**August 24:**

Mr Curry’s Notes:

* My definition of a budget- giving yourself a certain amount of money to spend and saving the rest. It means not being allowed to exceed the amount of money you set aside for yourself to spend.
* FBP: budget for fun, b stands for paying bills, p stands for putting money away in your portfolio
* Find out what economic person you are: I’m inclined to save money because I won’t buy something unless I’ve thought about it a lot and want to buy it even after a period of time.
* Understanding your limitations is crucial for a great budget
* What part of my future finances do I really need to know?
* Choosing wisely and self-control will set you financially free
* In five years, you will be over 21, in ten years you’ll be close to thirty, if you don’t start investing in five years in this current economy, it could cost me millions.
* Know why you’re investing in that particular entity
* Index funds
* Embrace finance and discipline and control will make it a lot easier

How Social Security Works:

* Pay as you go program, you get benefits when you get old
* Hasn't’ been enough to cover massive baby boomer population, people are living longer, and millions baby boomers are retiring
* Reserves Could run out by 2035, social security could only pay 79% of benefits.
* Every dollar that goes in, goes out to retirees
* One possible solution: Social security 2021 act, some tax increases to avoid benefit cuts, you can either raise taxes or reduce benefits
* Could also increase retirement age
* Biden’s plan is to have higher taxes on wealthy
* Adapting how fund invests more money → more risk but won’t have higher taxes or benefit cuts