

## *Student Sheet*

# WHEN TO START SAVING

Financial education at school:  
An AMF activity for teachers.



**TES**  
**AFFAIRES**  
**.com**

 **AUTORITÉ  
DES MARCHÉS  
FINANCIERS**

## THE MILLIONAIRE WORKSHOP

While your teacher is talking, write down the millionaire mindset for each urban myth discussed.



Urban myth	What I think	What a future millionaire thinks
<i>I should fulfill my desires first, then meet my needs.</i>	<input type="checkbox"/> True <input type="checkbox"/> False	
<i>A budget will prevent me from doing things I want to do.</i>	<input type="checkbox"/> True <input type="checkbox"/> False	
<i>I'm too young to save money.</i>	<input type="checkbox"/> True <input type="checkbox"/> False	
<i>Savings are only for people that make a lot of money.</i>	<input type="checkbox"/> True <input type="checkbox"/> False	
<i>If I can't meet my budget, I'm going to forget about it.</i>	<input type="checkbox"/> True <input type="checkbox"/> False	
<i>You have to be an accountant to prepare a budget.</i>	<input type="checkbox"/> True <input type="checkbox"/> False	



## WORKSHOP - THE MAGIC OF COMPOUND INTEREST

**The magic of compound interest makes time work for you. Interest is calculated not only on your investment, but also on the interest you've earned. Here is an example:**

Jade works part-time in the meat department of a grocery store. She has set aside \$3,000, which she invests in a guaranteed investment certificate at 4% interest to help her pay for university in 3 years.

**What will her investment be worth at the end of 3 years?**

Here's how to do the calculation:

**Year 1**  $\$3,000 \times 4\% = \$120$ ; the investment is worth \$3,120

**Year 2**  $\$3,120 \times 4\% = \$124.80$ ; the investment is worth \$3,244.80

**Year 3**  $\$3,244.80 \times 4\% = \$129.79$ ; the investment is worth **\$3,374.59**

**A millionaire by age 50!**

Use the magic of compound interest calculator on the **Tesaffaires.com** website to find out how much money you'll have to set aside each year for 34 years to become a millionaire:

**A-** For an investment earning 3% per year: \$\_\_\_\_\_

**B-** For an investment earning 6% per year: \$\_\_\_\_\_

Try different amounts until you find the answer!