

### THINK CRITICALLY

Handwrite your responses in the space below; 2 sentences each.

1. Explain how to save and invest using a systematic strategy.
2. Why is having a long-term saving and investment strategy important?
3. What is dollar-cost averaging? What is the advantage to using this investment strategy?
4. How does diversification lower investment risks?
5. What is an investment portfolio?
6. What types of investments should be the foundation of an investment portfolio?
7. What are some factors that will affect the types of investments a person may need in an investment portfolio?
8. How is a bull market different from a bear market?
9. When the economy is growing and stock prices are rising, why might an investor sell stocks? When the economy is slowing down and stock prices are falling, why might an investor buy stocks?