

Choose to Save For Your Future



Investments Add Up!

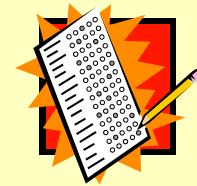
All it takes to turn \$1,000 into \$93,000—and compounding interest. Let's say a 25-year old makes a one-time investment of \$1,000. Over time, that investment can grow! See chart below:

Age	Rate of Return				
	4%	6%	8%	10%	12%
25	1,000	1,000	1,000	1,000	1,000
35	1,480	1,791	2,159	2,594	3,106
45	2,191	3,207	4,660	6,727	9,646
55	3,243	5,743	10,063	17,449	29,960
65	4,801	10,285	21,724	45,259	93,050

Now lets invest \$1,000 per year starting age 25, 35, 45, or 55. See chart below for balance at age 65.

Age	Rate of Return				
	4%	6%	8%	10%	12%
25	100,803	\$168,969	\$290,972	\$511,194	\$910,961
35	59,495	\$86,316	\$127,240	\$189,991	\$286,510
45	31,589	40,163	51,400	66,153	85,541
55	12,736	14,391	16,271	18,408	20,834

Financial Quiz



1. What percent of workers age 25 - 34 are currently saving for retirement in 2011?

2. What percent of workers age 25 - 34 reported in 2011 that they have less than \$25,000 in total savings and investments? A) 53% B) 16% C) 71%
3. If you pay the minimum payment of \$9,000 credit card balance, interest paid would be \$8,451 and you will make monthly payments for _____ years.
4. The average credit card debt per household in 2010 was: A) \$24,291 B) \$14,687 C) \$7,910 D) \$5,251
5. What percent of bankruptcy filers blamed their credit card bills? _____
6. The savings rate for households as of April 2011 is? A) 10.1% B) 6.2% C) 4.9% D) 1.3%

ANSWERS: 1. 58% 2. C 3. 19 4. B 5. 63% 6. C

How Do You Stack Up?

For individuals ages 25 to 34; How do you compare *financially* to your peers?

Median Net Worth:	\$ 8,525
Median Household Income:	\$40,437
Homeownership:	46%
Average Student Loan Debt:	\$22,346
Owe \$10,000 or more on credit card:	47%



Additional Resources

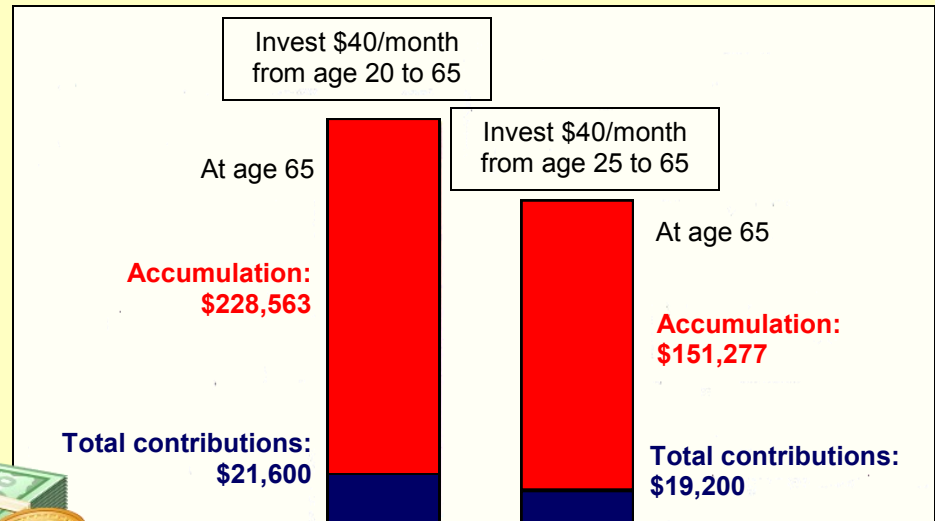
Below are additional saving and investing resources:

- MSU Extension Saving and Investing Publications:**
www.montana.edu/extensionecon/savingspublications.html
MSU Extension Financial Management Publications:
www.montana.edu/extensionecon/financialmgtpublications.html
- Choose to Save:** www.choosetosave.org
- Investing in Your Future (eXtension):**
www.extension.org/pages/10984/investing-for-your-future
- AARP Money:** www.aarp.org/money
- Practical Money Skills for Life:** www.practicalmoneyskills.com

Put Time On Your Side



By starting an investment plan now, while you're young, you have an edge over older investors. Let's take a 20 year old who invests \$40 a month. As the chart below illustrates, savings can really add up. Contrast this amount with a person who waits until the age 25 to save \$40 a month:



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