Terms to know:

Compound Interest – Interest on interest

Income – amount of money you make in a year

Long term investment – Investments held at least 10 years

Saving vs spending – the decision you make to spend now or save

Incentives – something that motivates you

Opportunity Cost – what you give up to get your 1st choice

Voluntary Exchange – your choice to buy, sell or trade

Choice – when you make a decision from multiple options

Decision Making Model – 5 step Process of making decisions

Scarcity – having unlimited wants with limited resources