**Unit 5 Banking and Finance**

Value of money: Define these terms

|  |  |  |
| --- | --- | --- |
| Commodity Money | Representative Money | Fiat Money |
|  |  |  |

Decentralized vs Centralized Banking systems

Fractional Reserve Banking system vs full reserve banking

Banking Reforms: FDIC

|  |  |  |  |
| --- | --- | --- | --- |
| Type of investment | Risk | Return | Liquidity |
| stocks |  |  |  |
| bonds |  |  |  |
| Real estate |  |  |  |
| Mutual Fund |  |  |  |
| Certificate of Deposit |  |  |  |

How does investment impact the economy?

Certificates of Deposit

Financial Assets: stocks bonds…..

Financial market define

Figuring Interest/annual yield on bonds:

Capital gain define

Direct vs indirect financing chart

Credit scores: define: what impacts them

**Insurance:**

premium,

deductible,

co-payment

Whole life vs term life characteristics

Fixed vs Variable expenses

Net income

dissaving