

Name _____

Long-Term vs. Short-Term Investing: Making Your Money Grow

Open-Ended Response Questions

1. Imagine you have a friend who is considering short-term investing but doesn't fully understand the risks involved. How would you explain the potential advantages and disadvantages of short-term investing to them?
2. Compare and contrast the trading activity in long-term and short-term investing. How does the frequency of buying and selling differ between the two approaches, and what impact does this have on trading fees?
3. Discuss a scenario where a person might initially choose short-term investing but later switch to a long-term approach. What factors could lead to this change, and how might it affect their financial goals?
4. Think about a real-life example of someone who achieved financial success through long-term investing. Describe their journey and the key principles they followed.

