



# SAVING AND INVESTING

## OVERVIEW

Saving, in terms of financial health, refers to money that is not spent but rather set aside and accumulated over time. Saving is often a conscious and planned act in which one intentionally sets aside a percentage of money they have received, many times without the intention to spend it immediately. Having savings can provide peace of mind that directly impacts one's mental health, and can allow for financial flexibility which can be used to positively influence other aspects of one's health across the eight dimensions. For instance, money accumulated through savings can be used in case of an emergency, as well as to improve one's physical being, pay for an education, purchase a comfortable home, enjoy social outings, or to establish financial security later in life as one approaches retirement.<sup>1</sup>

Investing is the act of making purchases with the intention of earning money from the purchase, or that it can increase in value and be sold later on for a profit.<sup>2</sup> Investments can come in many forms and often be obtained through banks or other financial institutions. These types of investments include bonds, certificates of deposit (CDs), exchange traded funds, money market accounts, mutual funds, and stocks. Other types of investments include assets such as businesses, cars and other vehicles, collectible items, education, land or property, and precious metals.<sup>3</sup> It is important to understand that many investments come with varying degrees of risk, as it is not guaranteed that an investment will generate income or be sold for a profit.

## RESOURCES

<sup>1</sup> <http://www.businessdictionary.com/definition/savings.html>

<sup>2</sup> <http://www.investopedia.com/terms/i/investment.asp?lgl=no-infinite>

<sup>3</sup> <http://themoney.one/different-types-of-investments/>

## ADDITIONAL INFORMATION

For more information, tools, and resources about savings and investments, visit:

<https://americasaves.org/for-savers/make-a-plan-how-to-save-money/54-ways-to-save-money>

<http://www.bankrate.com/finance/savings/save-money-on-a-tight-budget-1.aspx>

<https://www.dol.gov/sites/default/files/ebsa/about-ebsa/our-activities/resource-center/publications/top10ways.pdf>

<https://myra.gov/why-choose-myra/>

<https://www.usa.gov/saving-investing>