

# NEW WAVE

Savers Account

Youth Newsletter



P.O. Box 2966  
Mobile, AL 36652



**WE PAY  
FOR  
GOOD  
GRADES!**

Parents, we're accepting Fall semester report cards for our **January 15, 2023 Good Grades Drawing**. Submit your child's report card before January 15 for their chance to win \$50 and a New Wave Saver Backpack!

A/B report cards can be turned in at any time and at any branch drive thru, placed in our Night Drop Box, or emailed to [marketing@newhcu.org](mailto:marketing@newhcu.org).

## Four Good Mistakes that Changed the World

The next time you feel like you've failed, pat yourself on the back. You may have just discovered the world's next billion-dollar idea! History is full of examples of happy accidents, so check out these little mistakes that turned into wonderful inventions.

### 1. Play-Doh

Play-Doh was originally created to clean dirty wallpaper, but as you can see, it didn't work very well. Luckily, kids loved Play-Doh so much, the failing business was saved from bankruptcy!



### 2. Coca-Cola

Did you know the inventor of Coca-Cola was a pharmacist who was trying to cure headaches? His assistant accidentally carbonated the beverage and the rest is history! He would have never imagined his mistake would become one of the leading beverages in the world!



### 3. Super Glue

Super Glue was originally intended as a gun sight during World War II. Clearly, the product did not work out since it was extremely sticky. A few ideas later, the error was patented and super glue was born.



### 4. Slinky

A naval engineer was trying to find a spring that would keep items from rocking around too much, but one kept falling over and over and over again. His serious quest took a very fun turn!



*The important thing to remember is learn from your mistakes and you may find you have discovered more!*

## Just For Laughs

What did the snowman say to the other snowman?

*Do you smell carrots?*



Where do cows go on Friday night?

*To the Mooovies!*

How do trees access the Internet?

*They log on.*



## Teach Your Child to Avoid Money Mistakes

At some point in your life you may have experienced harsh consequences of money management. If you want your children to avoid the same pitfalls, consider teaching them financial literacy! Below are some tips to get you started.

1.

### Have them earn an allowance.

Teaching the value of money and hard work at a young age really does pay off. Have your kids do chores around the house and pay them so they make the mental connection between income and personal effort.

2.

### Let them contribute to purchases.

Another way to teach financial independence is to have your child pay for half, or at least a third, for a toy. This teaches them the value of money and can help them decide whether or not the toy is worth spending their money on.

3.

### Have honest conversations about money.

Being open and honest about money helps your child learn about being financially literate. Being honest about having to stick to a budget helps children realize the true value and importance of money.

# NEW WAVE

Savers Account

Teen Newsletter



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Mobile, AL 36652



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GOOD  
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# Financial Terminology Knowledge

Match each statement with the right term. Answers at the bottom of this page.

interest

stock

bond

fixed income

debit card

equities

budget

credit card

1. A tool that helps you track your income and expenses to ensure you're living within your means.
2. A card that allows you to make purchases by deducting money immediately from your bank account.
3. The fee you pay to borrow money.
4. An investment that represents a share of ownership in a publicly traded company.
5. An investment that represents a loan by an investor to a borrower.
6. A card that allows you to borrow money from a bank to make purchases and then pay that amount back at a later date, plus lending fees.
7. Bonds are also called this term.
8. Stocks are also called this term.

1. budget, 2. debit card, 3. interest, 4. stock, 5. bond, 6. credit card, 7. fixed income, 8. equities

# Saving vs. Investing

*Saving and investing are similar activities, but they serve different purposes. It is always smart to consider both options and try to do both if you can. Below is a comparison to make you understand both.*

## Saving

*Money you set aside in case of an emergency or to achieve a short-term financial goal (ex: a new car.)*

*The focus of saving is on safety and availability, not necessarily making a profit.*

*You can save your money in a piggy bank, or savings account, somewhere you can access easily.*

*Saving is important. It ensures you have money available to pay for unexpected expenses and your future. Investing, however, makes your money grow, with some risk, but it also allows you to reach financial independence.*

## Investing

*Action you take to make your money grow. Usually done by purchasing financial products (stocks, bonds, or a 401K) with a goal to make a profit.*

*Purpose is to achieve long-term financial goals such as paying for college or retirement.*

*Over time, your investment dollars may go up and down in value. There's a risk you could lose money, particularly over short periods, but over a span of many years, the odds of overall growth are in your favor.*

# Time is on Your Side!

Many teens and young adults want to put off investing until they're further along in their working life and making more money. However, as a young investor, you have the advantage of a long time horizon. Even small investments can grow to significant sums when there is time to benefit from compound interest.

*Compound interest – The addition of interest to the principal sum of a loan or deposit.*

