

Section 1: Guided Reading and Review

Saving and Investing



A. As You Read

As you read Section 1, supply the missing information about the functions of the financial intermediaries in the chart below.

Financial Intermediaries	Functions
1. Banks, Savings and Loan Associations, Credit Unions	1.
2. Finance Companies	2.
3. Mutual Funds	3.
4. Life Insurance Companies	4.
5. Pension Funds	5.

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B. Reviewing Key Terms

Complete each sentence by writing the correct key term in the blank provided.

6. Before putting money into mutual funds, a potential investor can review the fund's performance in its _____.
7. The use of assets to earn income or profit constitutes a(n) _____.
8. To transfer money between savers and borrowers, allowing investment to take place, an economy needs a(n) _____.
9. Securities is another name for _____.
10. The lower the risk in an investment, the lower its _____.
11. The collection of all one's financial assets makes up one's _____.