



YOUNG INVESTORS

BECOMING AN...

Informed Investor

Today's Topic:
Compounded Interest

According to Albert Einstein, "The most powerful force in the universe is compound interest". Compound interest is like a ball rolling down a hill. It starts out slowly and rapidly picks up speed to help you reach a particular goal. The power of compounding can best be illustrated by the following example: Assume you had a choice to either receive \$1,000 per day for 30 days, or start with one cent and have it doubled every day for 30 days (i.e., receive one cent the first day, two cents the second day and four cents the third day, etc.).

Which one would you choose - \$1,000 for 30 days or 1¢ per day compounded for 30 days? Any guesses as to what the 1¢ compounding would be worth?

If you chose \$1,000 per day for 30 days you would have \$30,000 at the end of the month. If you chose one cent per day compounding each day for 30

days, it would be worth approximately \$5.4 million! Using the power of compounding to reach a long-term goal can be significant. And the sooner you start using the power of compounding, the more magical it becomes.

Did you know that saving \$1.00 a day or a one time deposit of \$4,000, earning an average annual rate of return of 9%, for a period of 65 years grows to \$1 Million dollars. *

The Magic of Compounding!

*This example is for illustrative purposes only. Assumes reinvestment of dividends and capital gains, but does not reflect the effect of any applicable fees or expenses. This illustration is not meant to imply any future performance of any specific investment.

CONGRATULATIONS! COLBY, FROM WEST DES MOINES, IOWA
Last Quarter's Online Challenge Winner Scene iT? Movie 2nd Edition Game

THINGS TO KNOW

A FEW FACTS ABOUT CREDIT CARDS...

- Banks issue you a credit card which allows you to borrow money from the bank to purchase goods and services. That means you can buy a video game today and pay for it later.
- When your card is issued, you are given a credit limit. This limit is the amount the bank is willing to give you as a loan.
- At the end of the month, you will receive a statement in the mail that lists where and what you purchased and the amount you charged (borrowed.)
- If you do not pay off the entire credit card balance, the bank will start to charge you interest.

BIG WARNING!...

Interest charges can work against you! These charges typically range anywhere from 7% to 36%. For example, if you bought \$500 worth of toys on a 36% credit card, you would owe the bank \$716 after one year. Wait another year and you would now owe \$1,026! And finally, say you waited 5 years, you would now have to write a check for \$3,022 (that's 6 times more than your original purchase)!



Eligible only for Monetta Shareholders

Laughing Studio



KID-THEMED Spotlight



Why did the gardener plant his money?

• He wanted the soil to be rich

Why was 6 scared of 7?

• Because 7 8 9

Why does Peter Pan always fly?

• Because he can 'Neverland'

What do you use to buy stuff when you are in the ocean?

• Sand Dollars

What did Snow White say when her photos weren't ready?

• Someday my prints will come

Ha
Ha
Ha
Ha



Chipotle



While the menu may seem limited (burritos, bowls, tacos, & salads), there are actually over 65,000 different combinations you can order.

Chipotle



Did you know that McDonald's Corporation used to be Chipotle's majority shareholder until they sold their interest in 2006?

Chipotle



A Chipotle is a red (i.e., fully ripened) jalapeno pepper that is smoke-dried.

Chipotle



Did you know that in the past, Chipotle has given away free burritos on Halloween if you go into the restaurant dressed like a burrito?

Chipotle



The first Chipotle was located right by the University of Denver in a former ice cream store...every restaurant has a picture of the original location.

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GAME STUDIO

This Quarter's Puzzler-Word Search and win Money Erasers



Objective: Search Words Up and Down and Diagonally

Compound, Income, Return, Simple, Default, Credit Report, Finance Charge, Credit Limit

Name _____

Address _____

City _____ State _____ Zip _____

Phone _____

E-mail _____

MAIL TO:

**MONETTA FINANCIAL SERVICES, INC.
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WHEATON, IL 60189**

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How to qualify: Mail the puzzle back with your name and address to Monetta Games at 1776-A South Naperville Road, Suite 100, Wheaton, IL 60189 or email to: info@monetta.com. **Entries must be received by June 15, 2009.**