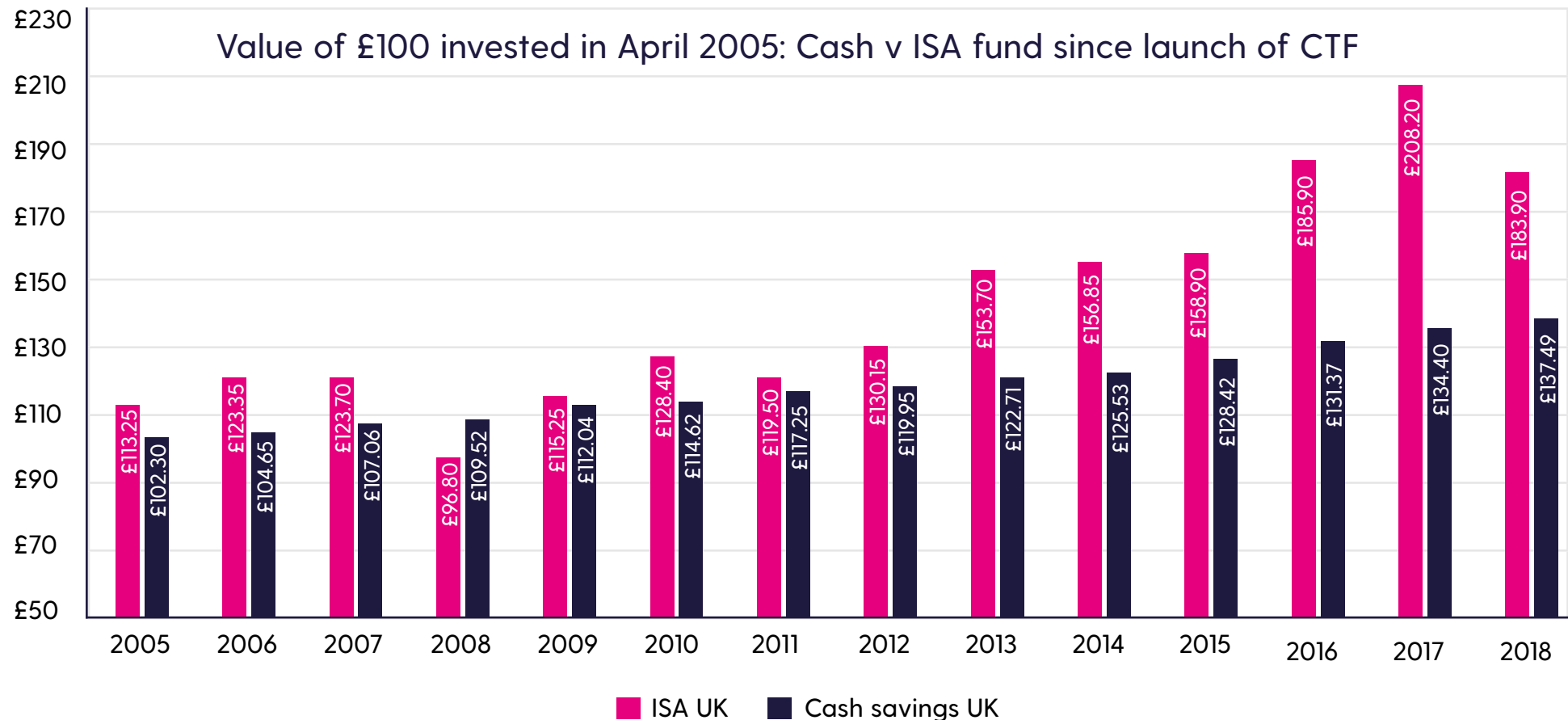


Risk Versus Reward

Although there's potential to lose money in the short-term, investments can be a good choice for longer-term savings goals as they can result in higher growth.

The example below is based on real data, showing how the value of £100 saved at the start of 2005 would have grown to the end of 2018. (This shows historical performance and doesn't necessarily reflect what might happen in the future.)



Discussion questions

1. Imagine you had invested £1000 in a cash Child Trust Fund (CTF) at the start of 2005. How much would it be worth in 2018?
2. Imagine you had invested £1000 in an investment CTF at the start of 2005. How much would it be worth in 2018?
3. How might you feel if you had invested £100 in 2005 and wanted to take the money out for a purchase in 2008? Why?
4. What was the difference in value between the cash and investment CTF in 2018?