



FINANCIAL LITERACY QUIZ

How financially literate are you?

1. What does it mean to have a 'diversified portfolio' in investing?

- Putting all money in one stock
- Avoiding any stocks
- Investing in various bonds
- Investing in different asset types



2. If you have \$1,000 in a savings account with an annual interest rate of 5%, how much interest will you earn after one year?
(write number only)



3. If you buy a \$500 item with a credit card and only pay the minimum balance, what happens?

- You pay interest on the remaining balance
- The debt is cleared immediately
- You get a cash bonus
- The store refunds the item



4. Which of these is generally considered the riskiest investment?

- Savings account
- Government bonds
- ETF funds
- Stocks in a startup company



5. Which is typically considered the safest place to keep your emergency fund?

- Luxury goods or gold
- High-yield savings account
- Stocks
- Cryptocurrency

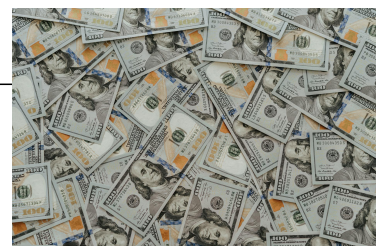


6. If inflation is 5% and your savings account pays 2% interest, what happens to your purchasing power?

- Your purchasing power increases.
- Your purchasing power stays the same.
- Your purchasing power decreases.
- It depends on the bank.



7. If you invest €100 at 7% annual return, approximately how many years does it take to double?



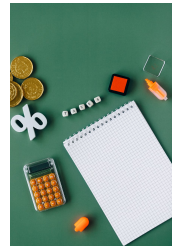
8. If an investment promises to double your money in one year with no risk, what should you do?

- Invest immediately
- Tell all your friends to invest as well
- Be cautious; it's likely too good to be true
- Borrow money to invest



9. What is compound interest?

- Penalty for late payment
- Interest paid only on the original amount
- Interest calculated on both your original amount and accumulated interest
- A fee for borrowing money



10. Inflation means your money buys more over time.

- TRUE
- FALSE

