

# Financial Literacy: Definitions

GoSkills online course syllabus

**Skill level**

Beginner

**Lessons**

28

**Accredited by**

Verified by GoSkills

**Pre-requisites**

No prior experience needed

**Video duration**

1h 9m

**Estimated study time**

1h 9m

**Instructor**

Cassandra Reed

## Introduction

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### 1 The basics of financial literacy

## Banking & Credit Terms

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**2 Compound interest**  
Maybe you've heard of the "beauty of compound interest" but haven't a clue what it means.

**3 ACH transfer**  
An ACH Transfer is a basic, important component of banking. After this video you'll be able to use the term "ACH Transfer" knowledgeably.

**4 Minimum balance**  
You've likely heard of needing to maintain a minimum balance.

**5 Net worth**  
Net worth sounds like a word to define the rich, but did you know that it applies to everyone?

**6 Overdraft**  
You shouldn't take overdrafts lightly. After this video you'll be able to use the term "overdraft."

**7 Interest rate**  
Interest rates can have two different applications depending on if you're using it for banking or credit.

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## FICO score

A FICO Score, you can't live without it. After this video you'll be able to use the term "FICO score" and understand how it affects you.

# Investing Terms

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## Asset allocation

How should asset allocation inform your investments?

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## Cash

We all use cash, but how is it applicable to your investments? After this video you'll be able to use the term "cash" meaningfully.

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## Stocks vs. bonds

Understanding stocks and bonds is essential for making smart investment decisions.

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## Diversification and rebalancing

You may have heard that you need "asset diversification" in your investments.

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## Volatility and inflation

Volatility and inflation both don't sound like positive things when it comes to your investments.

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## Capital gains and capital losses

To pay your taxes accurately you need to know what capital gains or losses you've had.

# Stock Market Terms

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## Price-earnings ratio vs. expense ratio

What is a price-earnings ratio and how does it apply to your investments in the stock market?

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## Prospectus

A prospectus is an important tool for assessing an investment.

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## Mutual funds & REIT's

There are many great investment products out there.

- 18** ETF, index fund, and target-date fund  
It might seem like there are more investment options than any one person can use!

## Retirement Terms

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- 19** Traditional IRA vs. Roth IRA  
An IRA is an important tool for your retirement savings.

- 20** 401(k) plans  
You may have a Traditional 401(k) through your employer.

## Tax Terms

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- 21** Tax credits  
When it comes to time to file your taxes, you may be able to apply a tax credit.

- 22** Withholding  
Each of your paychecks should have a portion "withheld." After this video you'll be able to use the term "withholding" knowledgeably.

- 23** Adjusted gross income  
Despite the difficult sounding acronym of "AGI," this term is relatively straight forward.

## Business Terms

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- 24** Gains, losses, revenues, and expenses  
Gains, revenues, losses and expenses are all important elements of running a profitable business.

- 25** Income statement and P&L statement  
An income statement is the first financial statement critical to every business.

- 26** Cash flow  
The second financial statement which your business can't run without is a cash flow statement.

## 27 Balance sheet

The third financial statement critical to your business is a balance sheet.

## Conclusion

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## 28 Where to go next

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