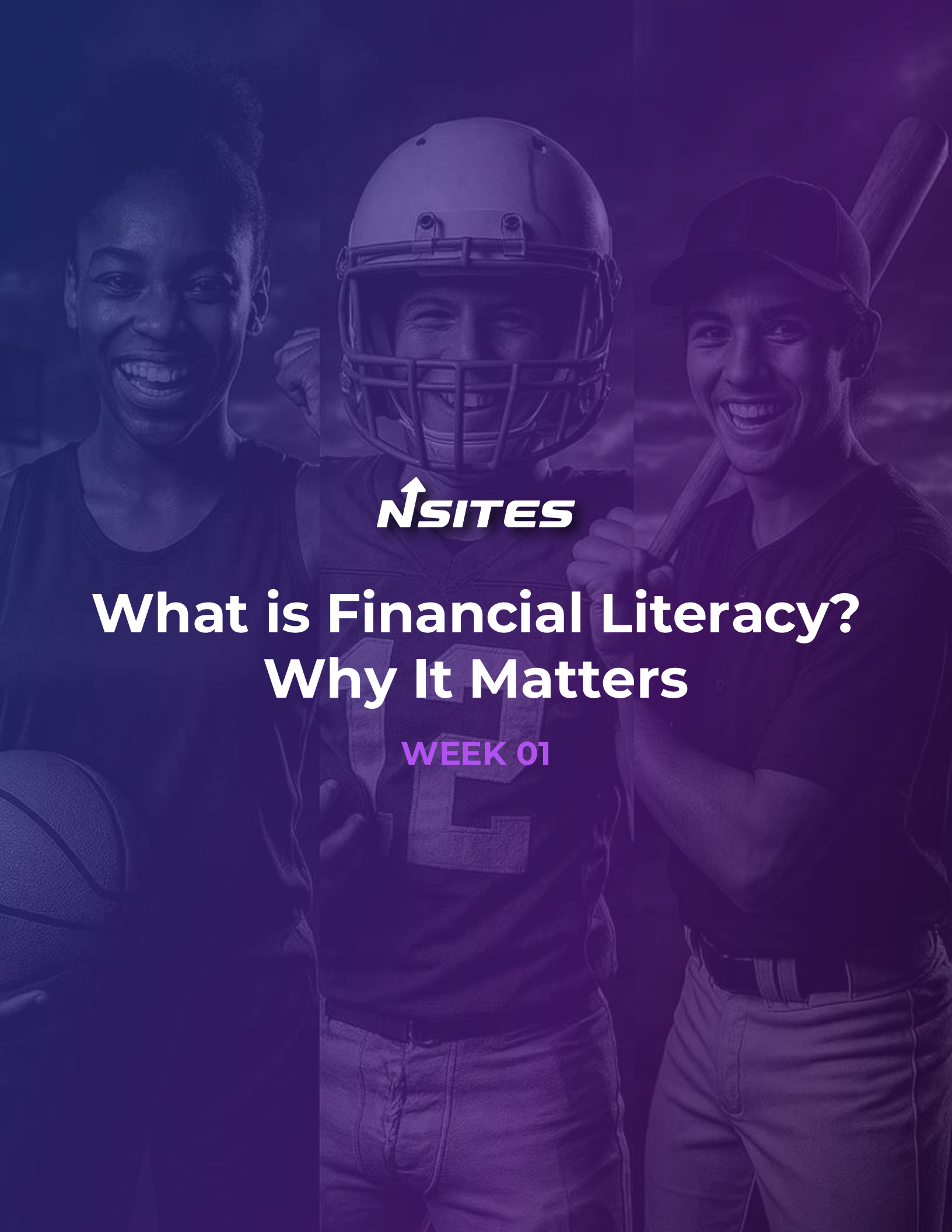


The background of the slide features three young athletes smiling. On the left is a Black woman in a basketball jersey holding a basketball. In the center is a person in a football helmet and jersey. On the right is a person in a baseball cap and uniform holding a bat. The entire image has a dark purple overlay.

↑SITES

What is Financial Literacy? Why It Matters

WEEK 01

Financial literacy is more than just knowing how to balance a checkbook or save money—it's the ability to understand and effectively use various financial skills, including personal financial management, budgeting, investing, and the responsible use of credit. For Generation Z—born between 1997 and 2012—financial literacy holds unique significance. Unlike prior generations, Gen Z has been immersed in technology since birth and faces a rapidly evolving financial landscape that includes digital currencies, online banking platforms, and new economic challenges such as rising student loan debt and inflation.

Developing financial literacy is a cornerstone of independence and empowerment. It provides the tools needed to make smart financial decisions, avoid debt traps, and build long-term wealth. Informed individuals are more likely to plan for the future, weather financial hardships, and achieve their life goals. Financial literacy is not about wealth—it's about making the most of the resources you have and avoiding the pitfalls that come from misinformation or lack of understanding.

Gen Z also faces a heightened exposure to financial marketing, particularly through social media platforms. Influencers frequently promote investing trends, “get rich quick” schemes, or lifestyle choices that appear financially sustainable but may not be. **Learning how to critically evaluate financial information and differentiate between good and bad advice is essential in the current media climate.**

Key competencies in financial literacy include:

Budgeting

Your legal name and how you're known publicly

Saving and Emergency Funds

Developing the discipline to save regularly and preparing for unexpected events.

Debt Management

Understanding how credit works, how to build and maintain a strong credit score, and how to avoid high-interest debt cycles.

Investing

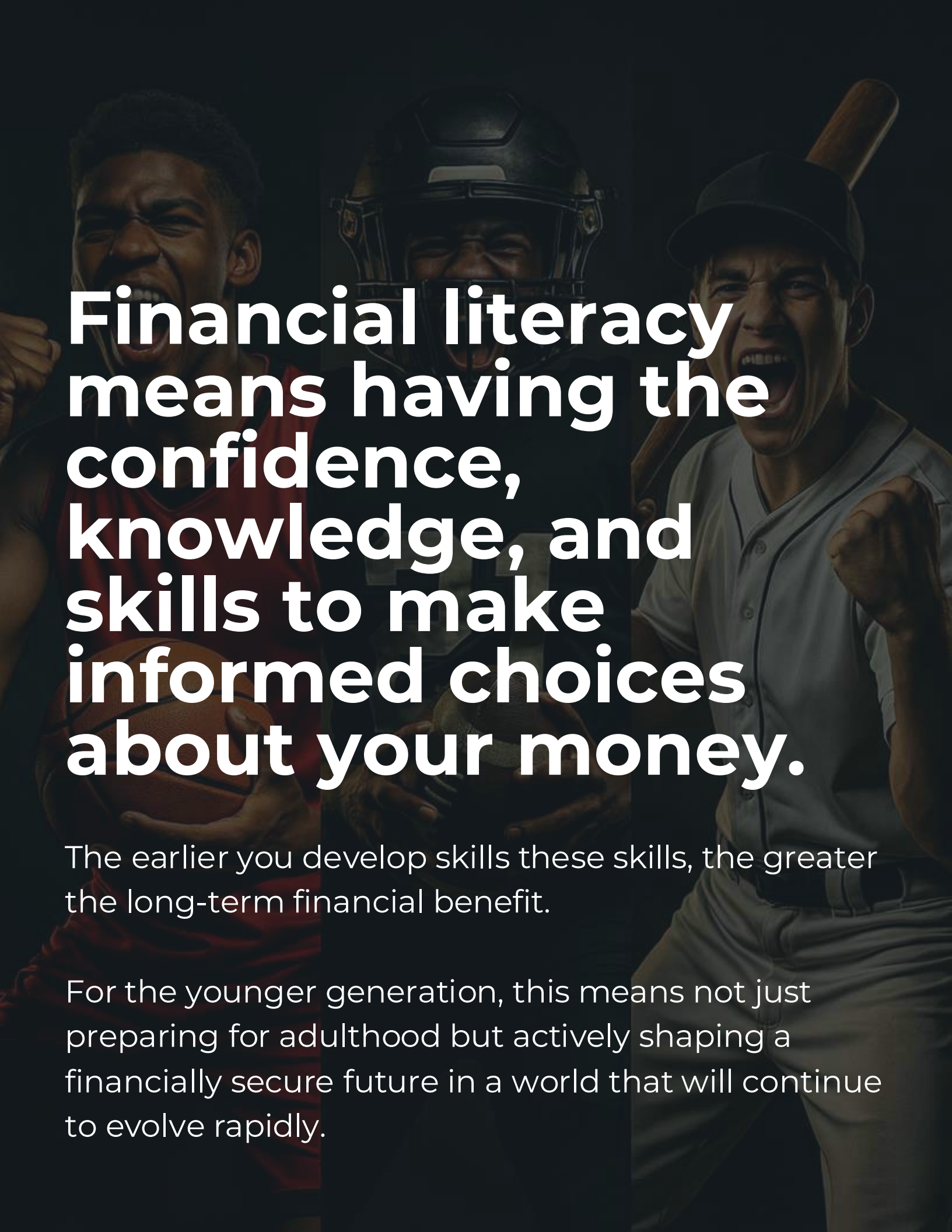
Knowing how to grow money over time through compound interest and understanding the risks associated with different investment vehicles.

Tax Awareness

Recognizing how taxes affect your income and knowing your responsibilities as a taxpayer.

Consumer Awareness

Understanding your rights, reading the fine print on contracts, and spotting scams.



Financial literacy means having the confidence, knowledge, and skills to make informed choices about your money.

The earlier you develop these skills, the greater the long-term financial benefit.

For the younger generation, this means not just preparing for adulthood but actively shaping a financially secure future in a world that will continue to evolve rapidly.



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You are doing great!
Let's unlock your next key learning!