

*Abdelhafid Boussouf University Center – Mila*

*Institute of Economic, Commercial and Management Sciences*

*Departement of Economics*

*LECTURES ON : Introduction to Finance*

*Addressedt to first year economics students – Second semester*

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*Academic year 2023-2024*

## *First year economics*

### *Lesson Three: Introduction to Finance*

**Objective:** By the end of this lesson, students will understand the basic concepts of finance and its relevance in managing money.

#### ***Introduction:***

Finance is like a roadmap for managing money. It helps us make smart choices about how to save, spend, and invest our money. Let's explore the basics of finance in simple terms.

#### ***1. What is Finance?***

Finance is all about managing money. It's about making decisions on how to use your money wisely.

***2. Saving and Spending:*** Saving means putting money aside for future use, like for emergencies or big purchases. Spending is using money to buy things we need or want.

***3. Budgeting:*** Budgeting is making a plan for how to use your money. It helps you track your income and expenses and make sure you don't spend more than you earn.

***4. Investing:*** Investing is using your money to buy things that you hope will grow in value over time, like stocks, bonds, or real estate. It's like planting seeds and watching them grow into trees that bear fruit.

***5. Managing Debt:*** Debt is money you owe to someone else. Managing debt means making a plan to pay it off slowly over time, so it doesn't become a burden.

#### ***6. Types of Accounts:***

**Savings Account:** A place to keep your money safe and earn a little interest.

**Checking Account:** Used for everyday transactions like paying bills and buying groceries.

**Investment Accounts:** Where you can buy stocks, bonds, or mutual funds to grow your money.

### **Conclusion:**

Understanding finance is essential for managing our money wisely. By learning how to save, budget, invest, and manage debt, we can build a secure financial future for ourselves. Finance is not just about numbers; it's about making choices that help us achieve our goals and live the life we want.

المالية - Finance

الادخار والإنفاق - Saving and Spending

الميزانية - Budgeting

الاستثمار - Investing

إدارة الديون - Managing Debt

حساب التوفير - Savings Account

حساب الجاري - Checking Account

حساب الاستثمار - Investment Account