Immediate Spending Less Than 1 Year Away	Short-Term Spending 1–5 Years Away	Long-Term Spending 5–40 Years Away	Retirement 40+ Years Away
WHERE THIS MONEY LIVES - Checking Account **WHAT THIS MONEY IS SPENT ON** All daily expenses: rent, bills, food, clothes, new glasses, small travel plans.	**WHERE THIS MONEY LIVES** - Savings Account - Money Market Account - CDs **WHAT THIS MONEY IS SPENT ON** Apartment deposit, new car, large furniture, wedding, major travel plans. (This is also your "rainy day fund" to cover the basics should you get laid off or have an unforseen emergency.)	**WHERE THIS MONEY LIVES** - The Stock Market: Mutual Funds or Individual Stocks - Bonds **WHAT THIS MONEY IS SPENT ON** Buying a home, having kids, college tuition.	**WHERE THIS MONEY LIVES** - 401k - IRA or Roth IRA **WHAT THIS MONEY IS SPENT ON** All expenses post retirement.
	TERMS Money Market Account: Very similar to a savings account. Earns much higher interest than savings account because you generally have to maintain about 5K. *Money Market Accounts are backed so you can't lose money, Money Market Funds (in the stock market), can lose money CDs (Certificate of Deposit): These are time-based deposits. Put money in a CD— do not touch the money— and when the time period is over (usually 3 mos – 2 years) you have access again. Usually earns higher interest than Money Market.	**TERMS** Mutual Funds: A collection of individual stocks and/or bonds compiled and managed by a professional. Safer than investing in individual stocks. High or low risk depending on the kind of fund. Bonds: Time-based investments similar to CDs. Safer than Mutual Funds which is why you typically have very few (if any) at a young age and far more as you get closer to retirement.	**TERMS** 401k: A retirement savings plan sponsored by an employer. Your company matches some amount of your contributions. IRA & Roth IRA: A retirement savings plan you start yourself (not through your company). Traditional IRAs and Roth IRAs are different in the way they're taxed.