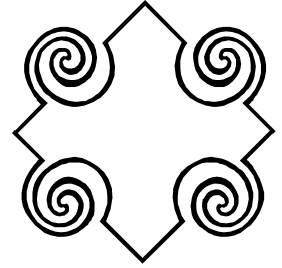


Stock Market Test



Vocabulary Matching

- _____ 1. To buy a variety of different stocks
- _____ 2. A legally-established company
- _____ 3. The chance of losing money or assets
- _____ 4. A place where stocks and bonds are sold
- _____ 5. The group of stocks that you own
- _____ 6. Someone who gives or lends money in hopes of making a profit
- _____ 7. Money that is made or gained as a result of an investment
- _____ 8. A time when stock prices are falling
- _____ 9. An exchange of goods, services, or money
- _____ 10. A professional who is licensed to buy and sell stock
- _____ 11. Money from a company's profits that is paid to stockholders
- _____ 12. The price a stockbroker charges to take care of buying and selling stock
- _____ 13. A time when stock prices are rising
- _____ 14. Shares of ownership in a company
- _____ 15. A person who owns shares (or stock) in a company; sometimes referred to as a stockholder

Word Bank

bear market
 bull market
 commission
 corporation
 diversify

dividend
 investor
 portfolio
 profit
 risk

shareholder
 stockbroker
 stock exchange
 stocks
 transaction

Stock Market Math

1. Suppose you bought 25 shares of Walmart and it was selling for \$86.95 a share. What would the cost of the shares be?

2. Suppose you paid \$13,500 for shares in Exxon. If you had to pay a 3% commission fee, how much commission would you pay?

3. In the above problem, if you bought \$13,500 worth of Exxon and paid a 3% commission, what would the *total* cost of the transaction be?

4. Imagine you bought some shares of Broadvision at \$45.00 a share and sold it for \$52.00 a share. Would you make a profit or a loss? How much profit or loss would you make on each share?

5. Suppose you had \$10,000 to invest in Texas Instruments. Based on its closing price of \$78.25 a share, how many whole shares could you buy? (Don't include commission costs.)

Bonus:

Suppose you bought 55 shares of Microsoft at \$94.00 a share. You paid a 2% commission when you bought the shares. You later sold those shares at \$98.00 a share, and you again paid a 2% commission on that transaction. What was your total profit? You may use a calculator, but show the problems you worked out in the workspace below.

Answer: _____