31 Multiple Choice Questions

1) Roth Individual Retirement Account (IRA) can be withdrawn at retirement_______

   a) capital gains

   b) common stock

   c) penalty

   d) tax and penalty free

2) Are exempt from state and local taxes

   a) Municipal Bonds

   b) dividends

   c) Speculative Stocks

   d) Series EE Savings Bonds

3) Traditional IRA can be withdrawn at retirement but you must pay a __________

   a) Profit

   b) penalty

   c) Index

   d) Bonds

4) Popular Stock Index used to see how the stock market is doing as a whole.

   a) dividends

   b) Dow Jones

   c) Lower

   d) Bonds

5) Total Revenue- Total Expenses

a) Lower

b) Bonds

c) penalty

d) Profit

6) voting rights

a) Income Stocks

b) Bonds

c) Dow Jones

d) common stock

7) Lamar believes that interest rates are going to fall in the near future and remain low for a considerable period of time. She should invest in:

a) A long-term, fixed rate certificate of deposit

b) interest rates,inflation,

c) tax and penalty free

d) Series EE Savings Bonds

8) high risk relative to any potential positive returns. "long Shot"

a) Blue chip Stocks

b) Speculative Stocks

c) Income Stocks

d) common stock

9) guaranteed payment of dividends but holders no voting rights

a) preferred stock

b) Blue chip Stocks

c) common stock

d) Income Stocks

10) stocks with dividends

a) common stock

b) Dow Jones

c) Income Stocks

d) Blue chip Stocks

11) Popular Stock Index used to see how the stock market is doing as a whole.

a) The Standard & Poor's 500

b) tax and penalty free

c) treasury bill (T-bill)

d) Income Stocks

12) issued by the U.S. government and are sold for 50% of their face value

a) Municipal Bonds

b) Speculative Stocks

c) Series EE Savings Bonds

d) Income Stocks

13) earnings of a corporation gives to its shareholders

a) Dow Jones

b) Index

c) dividends

d) Bonds

14) money that is made (a profit) by selling an asset like a home or stocks

a) penalty

b) Municipal Bonds

c) capital gains

d) Margin

15) It holds primary responsibility for enforcing the federal securities laws and regulating the stock market

a) Speculative Stocks

b) Securities and Exchange Commission

c) tax and penalty free

d) Series EE Savings Bonds

16) An agent that charges a fee or commission for executing buy and sell orders submitted by an investor

a) Dow Jones

b) Lower

c) Bull Market

d) Stock Broker

17) Total sales before any expenses are subtracted

a) Index

b) Lower

c) Bonds

d) Revenue

18) well-established and financially sound company

a) preferred stock

b) Blue chip Stocks

c) common stock

d) Income Stocks

19) what affects the prices of bonds and stocks

a) Income Stocks

b) Series EE Savings Bonds

c) interest rates,inflation,

d) preferred stock

20) a certificate of debt that earns interest.

a) Lower

b) Bonds

c) Index

d) Profit

21) measure of change in the a securities"stocks" market

a) Bonds

b) Index

c) Lower

d) SEC

22) One of the benefits of holding an investment for over a year rather than selling it in less than a year is that the

a) capital gains

b) A long-term, fixed rate certificate of deposit

c) tax and penalty free

d) capital gains on the investment will be taxed at a lower rate.

23) Stocks prices are raising

a) Margin

b) Bull Market

c) Stock Broker

d) Lower

24) a plan in which the employer's contribution to employees' retirement savings funds is specified."often match a portion of every dollar you invest" Also called 401k

a) Series EE Savings Bonds

b) Income Stocks

c) defined-contribution pension plan

d) Speculative Stocks

25) Are Issued by a state

a) capital gains

b) Municipal Bonds

c) Bonds

d) dividends

26) Capital gains tax will be _____, If you hold it longer than a Year

a) SEC

b) Bonds

c) Lower

d) Index

27) Securities and Exchange Commission

a) Index

b) Lower

c) SEC

d) Bonds

28) Measures changes in stock market as a whole

a) SEC

b) Index

c) Bonds

d) Lower

29) The brokerage firm is lending you money to buy stocks when you are buying on________

a) SEC

b) Margin

c) Bonds

d) Profit

30) how quickly something"Asset" can be turned into CASH.

a) penalty

b) Index

c) liquidity

d) Profit

31) a secure, low risk investment ,backed by US government

a) treasury bill (T-bill)

b) Municipal Bonds

c) Speculative Stocks

d) preferred stock