

## Before You Invest Post Test (ES)

1. Profit equals \_\_\_\_\_ minus \_\_\_\_\_.
  - a. revenue, expenses
  - b. expenses, revenues
  - c. revenue, investments.
  
2. Publicly held companies may issue stock to raise money to expand their business.
  - a. True
  - b. False
  
3. If a company has a good year, it may decide to pay \_\_\_\_\_ to its shareholders.
  - a. bonuses
  - b. dividends
  - c. investments
  
4. \_\_\_\_\_ are part-owners in a public corporation.
  - a. Customers
  - b. Government officials
  - c. Shareholders
  
5. Jenna bought 10 shares of stock in for \$11.00 per share. Two years later she sold the 10 shares for \$16.00 per share. Which statement is true.
  - a. Jenna had a loss of \$50
  - b. Jenna made a profit of \$50
  - c. Jenna made a profit of \$160
  
6. The \_\_\_\_\_ for Kellogg is K.
  - a. company abbreviation
  - b. ticker symbol
  - c. mutual fund symbol
  
7. A \_\_\_\_\_ investor is one who likes to take risks.
  - a. conservative
  - b. moderate
  - c. speculative
  
8. All shareholders of stock receive dividends.
  - a. True
  - b. False
  
9. When a company “goes public”, its first issue of stocks is called

- a. IPO
- b. NAV
- c. DIV

For questions 11-14 use the chart below.

52 week		stock	ticker	Vol 100s	Hi	Low	Close	Change
High	low							
44.00	21.50	Hasbro	HAS	101500	41.64	40.00	40.20	2.50
36.50	14.00	Kellogg	K	25000	26.30	24.40	26.20	.35
60.00	32.10	Ford	F	130000	54.70	51.50	51.55	2.65

11. When the stock market closed, Kellogg's closing price was \_\_\_\_\_
  - a. \$14.00
  - b. \$.35
  - c. \$26.20
  
12. Hasbro's highest price for the last 52 weeks was \_\_\_\_\_ a share.
  - a. \$41.64
  - b. \$44.00
  - c. \$40.20
  
13. The total number of shares of Ford stock traded was
  - a. 130,000.
  - b. 1,300,000.
  - c. 13,000,000.
  
14. If Mary invests \$1,000 in stocks, she is at risk of
  - a. losing the \$1,000 she invests.
  - b. losing more than the \$1,000 she invests.
  - c. losing nothing because she is secured.
  
15. You can find Tuesday's stock closing price for Hershey in Wednesday's newspaper.
  - a. True
  - b. False
  
16. If you bought 300 shares of Firstmark stock at \$20 per share and sold Firstmark for \$23 per share, how much profit did you make?
  - a. \$900
  - b. \$23
  - c. \$6,900
  
17. A company pays dividends to its shareholders with its
  - a. expenses
  - b. profits



- c. stock splits
18. The NYSE, AMEX and \_\_\_\_\_ are three major U.S. stock exchanges.
- a. Washington
  - b. DOW
  - c. NASDAQ
19. The Rule of 72 can help you figure out how long it will take for you to \_\_\_\_\_ your money on an investment.
- a. double
  - b. triple
  - c. lose
20. Only rich people invest in the stock market.
- a. True
  - b. False

## Before You Invest Post Test (ES) Answer Key

1. Profit equals \_\_\_\_\_ minus \_\_\_\_\_.
  - a. **revenue, expenses**
  - b. expenses, revenues
  - c. revenue, investments.
  
2. Publicly held companies may issue stock to raise money to expand their business.
  - a. **True**
  - b. False
  
3. If a company has a good year, it may decide to pay \_\_\_\_\_ to its shareholders.
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  - b. **dividends**
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  - c. **speculative**
  
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