



Pre- and Post Test
Middle School / Grades 6-8
Spring 2018

1. You can look in today's newspaper to see today's closing price of a stock.
 - a) true
 - b) false
2. Joey, a conservative investor with a low risk tolerance, is most likely to invest in
 - a) small cap companies
 - b) mid cap companies
 - c) large cap companies
3. You can estimate how long it will take for your investment to double in value by using the
 - a) amortization schedule
 - b) Rule of 72
 - c) ballpark estimate

Use this chart for questions 4-8

52-week High	52-week Low	stock	div	P/E	Vol 100s	Hi	Low	Close	Change
84.00	31.50	Intel	2.40	24	194500	81.64	79.60	81.50	1.50
36.50	16.40	Pzza	.45	38	45000	26.30	26.00	26.15	.25
192.20	128.60	Ford	___	18	230000	134.70	130.10	130.90	3.65

4. How many shares of Pzza stock were traded? _____
 - a) 4,500,000
 - b) 45,000
 - c) 450
5. Which stock closed closest to its low of the year? _____
 - a) Pzza
 - b) Ford
 - c) Intel
6. If you bought 100 shares of Intel at its high price for the year, and sold it at its closing price, what would be your capital gain or loss? _____
 - a) \$14.00 loss
 - b) \$250 loss
 - c) \$8,150 gain

7. Which stock pays the highest dividend? _____
- a) Intel
 - b) Pzza
 - c) Ford
8. Which stock's closing price showed the least change in price from the previous day?
- a) Intel
 - b) Pzza
 - c) Ford
9. Investing means
- a) putting your money to work earning more money.
 - b) saving your money.
 - c) keeping your money safe.
10. When Dee buys shares of ABC stock, she becomes
- a) an entrepreneur.
 - b) a partial owner of the company.
 - c) a lender.
11. Based on the Rule of 72, if you invested money and earned 6% interest, your money would double in
- a) 72 years
 - b) 6 years
 - c) 12 years.
12. Compounding is
- a) buying the same stock in the same amount over time.
 - b) choosing stocks with a dividend from each of the three exchanges.
 - c) earning interest on interest.
13. The three major US stock exchanges are
- a) New York Stock Exchange, American Stock Exchange, NASDAQ
 - b) New York Stock Exchange, Washington Stock Exchange, NASDAQ
 - c) United Nations Exchange, American Stock Exchange, and Washington Stock Exchange
14. Hayden's team purchased 100 shares of Tiffany and Co. stock for \$52.50/share. Two weeks later, the team decided to sell their 100 shares of Tiffany and Co. stock at the current market price of \$55.25/share. Excluding commissions, how much money was gained or lost on the sale?
- a) \$675 gain
 - b) \$275 gain
 - c) \$275 loss
15. Dividends are paid to shareholders from
- a) contributions from company employees
 - b) part of the company's earnings
 - c) company's production of goods and services.
16. Buying and selling stocks on the New York Stock Exchange can best be compared to
- a) a grocery store
 - b) a flea market
 - c) an auction
17. The Board of Directors of ABC Company voted to share some of the profits with its shareholders. They have decided to issue
- a) dividends
 - b) bonds
 - c) bonuses
18. Why are investments riskier than savings?
- a) there are more unknowns
 - b) companies don't care about you

c) it is not your money

19. When you invest in a bond, you are

- a) owning a government business
- b) loaning money to a company
- c) borrowing money for stock purchases

20. For a company, profit is the remaining income after

- a) entrepreneur is paid
- b) loan is paid off
- c) expenses are covered

ANSWER KEY

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