**Stock Market questions**

Name and date submitted (3 pts):

Instructions: Create space in the document below, and type or write your answers. KEEP THE SAME NUMBERING.

(10 questions, 100 possible points).

1. Why do corporations sell stock?
2. What is the most prevalent type of stock that most corporations offer?
3. What are the two principal reasons that individuals purchase shares of stock?
4. When you buy a share of stock, what do you really “own” besides a worthless piece of paper? Think about this. What does the share of stock represent? Be specific.
5. What makes a company’s stock price go up? What makes it go down? Think about this before answering. Can you summarize in one or two sentences the fundamental factors which make the value rise or fall? There are several ways to answer this – I’m looking for a well-thought-out answer. Do some Internet research on the question, first.
6. In what two ways is a stock market like other markets?
7. What is the most well-known stock exchange in the world, and what accounts for its importance?
8. What is the most well-known stock index in the U.S., and who developed it?
9. Do some Bible research: What is the best way to build financial wealth in your lifetime? Reference some scripture verses and summarize them in your own words.
10. Many workers hold large amounts of stock issued by the firms at which they work. Why do you suppose companies encourage this behavior? Why might a person not want to hold stock in the company where he works?