

Fill In The Blank

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|------------------|--------------------|-----------------|
| annuity | common stock | mutual fund |
| asset allocation | direct investing | preferred stock |
| business plan | discount | redeem |
| clearing account | futures contract | rollover |
| collectibles | illiquid | tax shelter |
| commodity | indirect investing | vested |

1. Buying stock in a mutual fund or REIT is a type of _____.
2. _____ is the process of moving a retirement account balance to another qualified retirement account.
3. A(n) _____ is a contract purchased from an insurance company that guarantees a series of regular payments for a set time.
4. Shares of _____ may pay a guaranteed dividend to shareholders.
5. A(n) _____ is a document that outlines how a business plans to succeed.
6. When an employee is _____, he or she has legal rights to a retirement account.
7. Buying stocks or bonds directly from companies and holding them individually is known as _____.
8. A(n) _____ is an item of value that is bought and sold in a market, such as corn or silver.
9. Items bought for their investment value, such as art objects or coins, are called _____.
10. Choosing a combination of stocks, bonds, mutual funds, or other investments to limit risk and increase returns is known as _____.
11. When an investment cannot be turned into cash quickly without a penalty, it is said to be _____.
12. A(n) _____ is used to deposit money from stock sales and to pay for stocks when they are purchased.
13. An investment that allows investors to legally avoid income taxes is called a(n) _____.
14. The difference between a bond's selling price and its face or maturity value is the _____.
15. A(n) _____ is an agreement to buy or sell a specific commodity or currency at a set price on a set date in the future.

16. Shares of stock that represent ownership interest and give stockholders voting rights in the company are called _____.
 17. When you cash in a bond at maturity, you _____ the bond.
 18. An investment fund that consists of stocks, bonds, and other investments focused on a strategy, such as balance or growth, is called a(n) _____.
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EXCEL PROBLEMS

Use Excel to solve the problems below and email the spreadsheet as an attachment.
MAKE SURE TO USE FORMULAS IN YOUR WORK!
(don't just type the answers)

Investment Calculations

1. You have a CD for \$1,000. The interest rate is 5 percent annually, and the term is 5 years. The CD has an early withdrawal penalty. If the money is withdrawn before 36 months, no interest is paid, and a penalty of 6 months' interest is levied. If you withdraw the money after 12 months, what penalty will you pay? How much money will you get?
2. You have a CD for \$1,000. The interest rate is 5 percent annually, and the term is 5 years. The CD has an early withdrawal penalty. If the money is withdrawn before 36 months, interest is paid for the time the money is in the account, but a 6-month interest penalty is deducted. If you withdraw the money after 12 months, what penalty will you pay? How much money will you get?
3. You purchased a house for \$125,000. You spent \$15,000 for repairs and redecorating, property taxes, and other expenses. You sold the house 1 year later for \$160,000. How much profit did you make on the house? What is your return on investment?
4. You purchased 100 shares of stock at \$125 per share. One year later, the price of the stock has risen to \$150 per share. What is the percentage increase in the stock price?
5. You own 75 shares of stock in a corporation. The company issues a three-for-one stock split. How many shares do you now own?