

## THINK CRITICALLY

*Handwrite your responses in the space below; 2 sentences each.*

1. What are the benefits of international mutual funds for investors?
2. What is the purpose of a futures contract?
3. An investor in the United States may buy shares in foreign companies through \_\_\_\_
  - a. the World Federation of Exchanges
  - b. a global market index
  - c. an ADR
  - d. NASDAQ
4. A company may contract a price today for a product that will be delivered months from now through the \_\_\_\_ market.
  - a. foreign exchange
  - b. futures
  - c. international bond
  - d. over-the-counter
5. The global \_\_\_\_ market involves the use and trading of equity securities.
  - a. stock
  - b. bond
  - c. foreign exchange
  - d. futures
6. True or False? \_\_\_\_ International corporate bonds represent ownership in a foreign company.
7. True or False? \_\_\_\_ Most countries of the world use a fixed exchange rate rather than a floating exchange rate.
8. \_\_\_\_ would likely increase the value of a country's currency.
  - a. inflation
  - b. extensive foreign debt
  - c. expanded exports
  - d. expanded imports

---

## TEAMWORK

*Discuss in pairs or small groups and then write your conclusions below.*

9. In your team, create a list of factors that might affect the value of bonds in different countries of the world.