

Fill In The Blank

annual report	limit order	secondary market
auction market	market order	securities exchange
buy and hold	odd lot	selling short
buying on margin	oversight	stock dividend
discount broker	over-the-counter market	stock split
discretionary order	primary market	stockbroker
initial public offering	round lot	stop order

1. A licensed person who buys or sells stock for clients at fees much lower than a full-service broker charges is called a(n) _____ .
2. When you buy a(n) _____ , you are buying 100 shares or multiples of 100 shares of stock.
3. When a company issues shares of stock to shareholders instead of a cash dividend, this is called a(n) _____ .
4. A(n) _____ is a request to buy stock at the current market price.
5. A company's report to stockholders, called a(n) _____ , tells about the financial position of the company.
6. A network of dealers who buy and sell stocks (not as part of a securities exchange) is the _____ .
7. Selling stock that has been borrowed and must be replaced later is called _____ .
8. _____ is a long-term timing plan whereby you hold stock for many years.
9. A(n) _____ is a request to sell stock when the price reaches a certain amount.
10. An order to sell stock that allows the broker to get the best possible deal is a(n) _____ .
11. Buying shares of stock from current owners of the stock takes place in the _____ .
12. Buying shares of stock directly from the issuer of the stock takes place in the _____ .
13. _____ is the process of buying stock with a partial loan and repaying the loan when the stock is sold.
14. A(n) _____ takes place when a company issues more stock to shareholders in proportion to the stock they already own.

15. A market in which stock is sold to the highest bidder is a(n) _____ .
 16. A company's first sale of its stock to the public is called a(n) _____ .
 17. Supervision of the markets by government, called _____ , is for the purpose of protecting investors from unlawful actions.
 18. A(n) _____ is a licensed person who buys and sells securities for investors.
 19. A(n) _____ is a request to buy or sell stock at a set price.
 20. Fewer than 100 shares of stock is known as a(n) _____ .
 21. A(n) _____ is a place where brokers buy and sell stock for their clients.
-



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)

Calculating Commissions

1. You plan to buy 100 shares of stock for \$45.00 per share. If you use a full-service broker, the fee will be a 2 percent commission on the purchase price. Investment advice is included at no extra cost. What will be the amount of the commission you must pay? If you use a discount broker, you will pay a fee of \$9.95 for this round lot purchase. No investment advice is provided. You have already paid \$100.00 for an investing newsletter to help you decide which stock to buy. Which broker would you use and why?
2. You plan to buy 35 shares of stock for \$22.18 per share. If you use a full-service broker, you must pay a 2 percent commission on the purchase price. You must also pay \$10.00 for an odd-lot sale and \$15.00 because this is a small purchase. What is the total amount you must pay? If you use a discount broker, you will pay a fee of \$34.95 for this odd lot purchase. You have already paid \$100.00 for an investing newsletter to help you decide which stock to buy. Which broker would you use and why?