

## Fill In The Blank

|                  |                    |                 |
|------------------|--------------------|-----------------|
| 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?