

High School Questions:

ANSWER

- 1 . Who makes changes to US interest rates?
- Congress.
 - US President.
 - Federal Reserve Chairman or Fed Reserve President

Increase in the price of goods and services in the economy or how we measure the increase cost of goods and services or When we have to pay higher prices food, gas & services.

2 Inflation is _____

3 What is equity in a home

Market value - outstanding mortgage

4 Recession is _____

A period of economic decline (when people stop spending money on goods and services), which can cause higher unemployment and a pause on hiring new employees.

5 What is the difference between a stock and a bond?

- neither have a maturity date
- Stocks pays interest and Bond pays dividends
you own a bond, you are lending money to the issuer (which could be a corporation, municipality, or government)

6 What's a negative cash flow? _____

more money is being spent than earned.

7 What's a "bull market in the stock market" _____

Overall trend of the market is positive or Rising stock prices and a generally optimistic outlook among investors or associated with economic expansion, low unemployment, and positive corporate earnings

8 What are Government Securities

- Mutual Funds: Pooled funds from many investors to invest in a diversified portfolio
- Treasury Bonds, Bills, and Notes: Issued by governments to raise capital
- Insurance Instrumentc

9 Asset - Liability = _____ Networth or Equity