

Name _____

Money Magic: Investment Banking and Capital Markets

Open-Ended Response Questions

1. Imagine you have a small business and want to expand by issuing stocks. Describe the process you would go through with the help of an investment bank, including the steps and benefits.
2. Suppose you are an investor interested in buying bonds. Explain what factors you would consider when choosing which bonds to invest in and how the bond market works.
3. Reflect on the importance of investor protection in capital markets. Discuss how regulatory bodies contribute to ensuring a fair and transparent environment for investors and companies.
4. Think about a government's role in capital markets. Explain how governments use the bond market to finance public projects and the benefits of this approach for both the government and investors.

