

Name _____

Unlocking the Mystery of the Stock Market: How It Works

Multiple Choice Questions

1. What is the stock market primarily based on?
 - a) Random fluctuations
 - b) Supply and demand
 - c) Government regulations
 - d) Economic forecasts

2. What role do stockbrokers play in the stock market?
 - a) They own and manage the stock exchanges.
 - b) They are the CEOs of publicly traded companies.
 - c) They facilitate transactions between buyers and sellers.
 - d) They analyze and predict stock prices.

3. Why do people invest in stocks?
 - a) To receive guaranteed dividends
 - b) To avoid any financial risks
 - c) For the potential to grow their investments and receive dividends
 - d) To have direct control over the companies they invest in

4. What is a stock ticker used for?
 - a) To display the latest sports scores
 - b) To track current stock prices and changes
 - c) To show breaking news headlines
 - d) To advertise products and services

5. How does a booming stock market typically relate to the economy?
 - a) It suggests a strong economy with high unemployment.
 - b) It indicates a weak economy with low consumer spending.
 - c) It is generally associated with a strong economy and increased wealth.
 - d) It has no correlation with economic conditions.

