

Name \_\_\_\_\_

## Unlocking the World of Stock Market Investment

### Multiple Choice Questions

1. What is the first step to take before investing in the stock market?
  - a) Choose a brokerage
  - b) Open an investment account
  - c) Build an emergency fund
  - d) Buy individual stocks
  
2. Which type of investment provides regular interest payments and returns the principal amount at maturity?
  - a) Individual stocks
  - b) Exchange-Traded Funds (ETFs)
  - c) Mutual funds
  - d) Bonds
  
3. Where can you buy and sell stocks and other investments?
  - a) In your bank account
  - b) At a stock exchange
  - c) Through a grocery store
  - d) In a coffee shop
  
4. What is diversification in investing?
  - a) Putting all your money into a single stock
  - b) Spreading your investments across different assets to reduce risk
  - c) Timing the market to maximize returns
  - d) Investing for a very short period
  
5. What is one of the key risks associated with investing in the stock market?
  - a) Guaranteed returns on investment
  - b) Low volatility
  - c) High liquidity
  - d) Price volatility and no guarantee of returns

