

Name _____

Unlocking the World of Stock Exchanges

Multiple Choice Questions

1. What is the primary function of stock exchanges?
 - a) To provide financial advice to investors
 - b) To guarantee profits for all investors
 - c) To facilitate the buying and selling of securities
 - d) To enforce strict regulations on trading

2. How are stock prices determined on stock exchanges?
 - a) Randomly
 - b) Based on government regulations
 - c) By supply and demand dynamics
 - d) Through negotiations between buyers and sellers

3. What role do market makers play on stock exchanges?
 - a) They regulate stock prices
 - b) They provide liquidity and facilitate trading
 - c) They set the opening and closing times for the exchange
 - d) They ensure that all investors make a profit

4. Which of the following is NOT a key participant in stock trading on exchanges?
 - a) Investors
 - b) Brokers
 - c) Stock Exchanges
 - d) Banks

5. What is the purpose of regulators in the context of stock exchanges?
 - a) To manipulate stock prices
 - b) To oversee the enforcement of insider trading
 - c) To maintain fairness in trading and enforce securities laws
 - d) To maximize profits for investors

