

Name: _____

Period: _____

Due Date:

Chapter 11: Financial Markets

Lesson 1: Saving & the Financial System

Savings:
Certificate of Deposit:
Financial Assets:
Financial Intermediaries:
Financial System:
Credit Union:
Finance Company:
Pension:
Pension Fund:
Diversification:
Risk:

1. What five things should you consider when investing?

2. What does compound interest do to your money?

Lesson 2: Financial Assets & Their Markets

Bond:
Par Value:
Maturity:
Coupon Rate:
Current Yield:
Junk Bonds:
Municipal Bonds:
Tax-Exempt:
Saving Bonds:
EE Saving Bonds:
Beneficiary:
Treasury Notes:
Treasury Bonds:
Treasury Bills:

Individual Retirement Account:
Capital Market:
Money Market:
Primary Market:
Secondary Market:

Lesson 3: Investing in Equities & Options

Equities:
Stockbroker:
Efficient Market Hypothesis:
Portfolio Diversification:
Mutual Fund:
Net Asset Value:
401(k) Plan:
Vesting:
Stock/Securities Exchange:
Dow Jones Industrial Average:
S&P 500:
Bull Market:
Bear Market:
Spot Market:
Futures Contract:
Option:
Call Option:
Put Option:

1. Why is portfolio diversification an important investing strategy?