**Chapter 1 Review: Problem Set #1 – To advance to the 20 yard line**

1. Deja invested $60,000 in a partnership with Bruce, Adam & Shiree. The total investment of all partners was $320,000. What percent of the business does Deja own?
2. Use the following trading data to answer the questions at the right.

a. What was the difference between the high and low prices on October 20th?

b. On October 20th, what was the actual volume of Discovery Inc. shares traded?

c. At what price did Discovery close on Oct. 20?

d. Based on this information, what was the closing price on Oct. 19th?

1. Use the stock bar chart below to answer the questions at the right.

a. Which day had the greatest high price?

b. Approximately how many shares of Lombard Inc. were traded over the five days?

c. On what date did the stock close at a price lower than it opened?

1. A few years ago, Antoinette bought 100 shares of a cologne company’s stock for $16.77 per share. Last month she sold all of her shares for $11.88 per share. What was her gross capital gain?
2. Jasmine is purchasing a stock that pays an annual dividend of $3.42 per share. If she purchases 400 shares for $53.18, what is her annual income from dividends?

**Chapter 1 Review: Problem Set #2 – To advance to the 40 yard line**

1. Frankie, Ashton & Donna are investing a total of $1,200,000 in a new restaurant. Their investments are in the ratio 6:8:11. How much did each invest?
2. On October 21, Discover Inc. announced that they would close one of their manufacturing plants. This resulted in a drop in their stock price. It closed at $32. If the stock price closed at $38.50 on October 20, express the net change from Oct. 20 to Oct. 21 as a percent, rounded to the nearest tenth of a percent.
3. Use the candlestick chart below to answer the questions on the right.



a. On which days were opening prices higher than closing prices?

b. On 12/16, what was the approximate closing price?

c. What was the difference between the lowest and highest prices recorded for this period?

1. Determine the 3-day simple moving averages the seven consecutive day closing prices.

|  |  |  |
| --- | --- | --- |
| **Day** | **Closing Price** | **3-day SMA** |
| 1 | $7.78 |  |
| 2 | 7.90 |  |
| 3 | 8.00 |  |
| 4 | 7.97 |  |
| 5 | 7.86 |  |
| 6 | 7.67 |  |
| 7 | 7.60 |  |

1. Kenedie purchased 2 shares of Apple Inc. stock for $390.15 per share in April. Then she sold both shares for $503.30 in August. She had to pay her broker a 1.5% fee for both transactions. What is Kenedie’s net capital gain?

**Chapter 1 Review: Problem Set #3 – To advance to the 60 yard line**

1. The Metropolitan Corporation has issued a total of 2,400,000 shares. The North Side Investment group owns 7.5% of those shares. How many shares does the North Side Investment Group own?
2. The current 52-week high for Motorola Solutions, Inc. is $64.72 and the current 52-week low is $49.49. What is the net change between the 52 week high and low, expressed as a percentage?
3. Draw a candlestick chart representing the stock data below. Be sure to properly label your chart!

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Day** | **52 week high** | **52 week low** | **Open**  | **Close** | **Change** | **High** | **Low** | **Volume (100’s)** |
| May 5 | 38.40 | 12.84 | 15.98 | 15.95 | + $1.33 | 16.07 | 15.93 | 562 |

1. Anthony purchased 500 shares of stock for $54 per share. Recently, he sold all of his shares at $62 per share. If he must pay a 2% broker’s fee, what is Anthony’s net capital gain after selling the stock?
2. Deon owns Starbucks stock. On Monday, Starbucks closed at $75.24 per share. Starbucks pays an annual dividend of $0.84 per share. What is the current yield for Starbucks stock?

**Chapter 1 Review: Problem Set #4 – To advance to the 80 yard line**

1. Joanna owns $\frac{7}{16}$ of a jewelry store. The total investment for the store was $832,000. What is the value of Joanna’s share of the business?
2. Use the following data for Exxon Mobil Corporation to answer the questions below.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Day** | **52 week high** | **52 week low** | **Open**  | **Close** | **Change** | **High** | **Low** | **Volume (1000’s)** |
| Sept. 16, 2013 | 95.49 | 84.70 | 88.88 | 88.67 | + 0.27 | 89.18 | 88.49 | 9438.857 |

* 1. How far away is the stock from its 52 week high?
	2. What was the closing price of the stock on Sept. 15, 2013?
	3. What was the actual volume of shares traded?

|  |  |  |
| --- | --- | --- |
| **Day** | **Closing Price** | **3-day SMA** |
| 1 | $15.19 |  |
| 2 | 15.21 |  |
| 3 | 15.32 |  |
| 4 | 15.40 |  |
| 5 | 15.40 |  |
| 6 | 15.38 |  |
| 7 | 15.41 |  |
| 8 | 15.50 |  |
| 9 | 15.55 |  |
| 10 | 15.47 |  |

1. The closing price for 10 consecutive trading days for a particular stock are given below. Calculate the 5-day simple moving average and plot both the closing prices and the averages on a graph.
2. Crystal owns 1,000 shares of a corporation that pays an annual dividend of $2.17 per share. How much should she expect to receive on a quarterly dividend check?
3. Discuss the implication of the crossover on the 4th day in the graph below.



**Chapter 1 Review: Problem Set #5 – To advance to the ENDZONE!**

1. Maleke owns 24% of a partnership. Jo’Mari owns 48% of the partnership. If Emani is the third partner, what percent of the partnership does she own?
2. Silvercorp Metals Inc. closed on Sept. 16, 2013 at $2.74. The stock lost $0.03 from the previous trading day, Sept. 13th.
	1. What was the closing price on Sept. 13th?
	2. What was the net change from Sept. 13 to Sept. 16? Express your answer as a percent.
3. Draw a bar chart representing the stock data below. Be sure to properly label your chart.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Day** | **Open**  | **Close** | **Change** | **High** | **Low** | **Volume (millions)** |
| Jan 10 | 15.80 | 15.69 | – 0.11 | 15.85 | 15.67 | 75 |

1. LaShae owns 200 shares of stock in ABC Corporation. The corporation is worth $5.1 million. ABC Corporation recently lost a lawsuit worth $5.8 million. How much of the $5.8 million settlement is LaShae personally liable for? Explain.
2. Aminah is thinking about buying stock in Target Corp, which pays an annual dividend of $1.72 per share. The closing price on Monday was $63.79. How does the current yield of Target stock compared to the 0.9% annual interest rate Aminah could make on her money in a savings account at Bank of America?

**Chapter 1 Review: Problem Set #1 – To advance to the 20 yard line**

1. Deja invested $60,000 in a partnership with Bruce, Adam & Shiree. The total investment of all partners was $320,000. What percent of the business does Deja own? **Answer: 18.75%**
2. Use the following trading data to answer the questions at the right.

a. What was the difference between the high and low prices on October 20th? **Answer: $3.33**

b. On October 20th, what was the actual volume of Discovery Inc. shares traded? **Answer: 1,970,000**

c. At what price did Discovery close on Oct. 20? **Answer: $38.50**

d. Based on this information, what was the closing price on Oct. 19th? **Answer: $36.94**

1. Use the stock bar chart below to answer the questions at the right.

a. Which day had the greatest high price? **Answer: Dec. 16**

b. Approximately how many shares of Lombard Inc. were traded over the five days? **Answer: 94 million**

c. On what date did the stock close at a price lower than it opened? **Answer: Dec. 18**

1. A few years ago, Antoinette bought 100 shares of a cologne company’s stock for $16.77 per share. Last month she sold all of her shares for $11.88 per share. What was her gross capital gain? **Answer: – $489 (loss)**
2. Jasmine is purchasing a stock that pays an annual dividend of $3.42 per share. If she purchases 400 shares for $53.18, what is her annual income from dividends? **Answer: $1,368**

**Chapter 1 Review: Problem Set #2 – To advance to the 40 yard line**

1. Frankie, Ashton & Donna are investing a total of $1,200,000 in a new restaurant. Their investments are in the ratio 6:8:11. How much did each invest? **Answer: $288,000; $384,000; $528,000**
2. On October 21, Discover Inc. announced that they would close one of their manufacturing plants. This resulted in a drop in their stock price. It closed at $32. If the stock price closed at $38.50 on October 20, express the net change from Oct. 20 to Oct. 21 as a percent, rounded to the nearest tenth of a percent.  **Answer: - 16.9%**
3. Use the candlestick chart below to answer the questions on the right.



a. On which days were opening prices higher than closing prices? **Answer: Dec. 16, 17, 18**

b. On 12/16, what was the approximate closing price? **Answer: $28.98**

c. What was the difference between the lowest and highest prices recorded for this period? **Answer: $0.91**

1. Determine the 3-day simple moving averages the seven consecutive day closing prices.

|  |  |  |
| --- | --- | --- |
| **Day** | **Closing Price** | **3-day SMA** |
| 1 | $7.78 | **----** |
| 2 | 7.90 | **----** |
| 3 | 8.00 | **$7.89** |
| 4 | 7.97 | **7.96** |
| 5 | 7.86 | **7.94** |
| 6 | 7.67 | **7.83** |
| 7 | 7.60 | **7.71** |

1. Kenedie purchased 2 shares of Apple Inc. stock for $390.15 per share in April. Then she sold both shares for $503.30 in August. She had to pay her broker a 1.5% fee for both transactions. What is Kenedie’s net capital gain? **Answer: (1006.60 – 15.10) - (780.3 + 11.71) =$199.50**

**Chapter 1 Review: Problem Set #3 – To advance to the 60 yard line**

1. The Metropolitan Corporation has issued a total of 2,400,000 shares. The North Side Investment group owns 7.5% of those shares. How many shares does the North Side Investment Group own? **Answer: 180,000**
2. The current 52-week high for Motorola Solutions, Inc. is $64.72 and the current 52-week low is $49.49. What is the net change between the 52 week high and low, expressed as a percentage?

**Answer: 30.77%**

1. Draw a candlestick chart representing the stock data below. Be sure to properly label your chart!

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Day** | **52 week high** | **52 week low** | **Open**  | **Close** | **Change** | **High** | **Low** | **Volume (100’s)** |
| May 5 | 38.40 | 12.84 | 15.98 | 15.95 | + $1.33 | 16.07 | 15.93 | 562 |

1. Anthony purchased 500 shares of stock for $54 per share. Recently, he sold all of his shares at $62 per share. If he must pay a 2% broker’s fee, what is Anthony’s net capital gain after selling the stock? **Answer: $2,840**
2. Deon owns Starbucks stock. On Monday, Starbucks closed at $75.24 per share. Starbucks pays an annual dividend of $0.84 per share. What is the current yield for Starbucks stock? **Answer: 1.1%**

**Chapter 1 Review: Problem Set #4 – To advance to the 80 yard line**

1. Joanna owns $\frac{7}{16}$ of a jewelry store. The total investment for the store was $832,000. What is the value of Joanna’s share of the business? **Answer: $364,000**
2. Use the following data for Exxon Mobil Corporation to answer the questions below.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Day** | **52 week high** | **52 week low** | **Open**  | **Close** | **Change** | **High** | **Low** | **Volume (1000’s)** |
| Sept. 16, 2013 | 95.49 | 84.70 | 88.88 | 88.67 | + 0.27 | 89.18 | 88.49 | 9438.857 |

* 1. How far away is the stock from its 52 week high? **Answer: $6.82**
	2. What was the closing price of the stock on Sept. 15, 2013? **Answer: $88.40**
	3. What was the actual volume of shares traded? **Answer: 9,438,857**
1. The closing price for 10 consecutive trading days for a particular stock are given below. Calculate the 5-day simple moving average and plot both the closing prices and the averages on a graph.

|  |  |  |
| --- | --- | --- |
| **Day** | **Closing Price** | **3-day SMA** |
| 1 | $15.19 | **----** |
| 2 | 15.21 | **----** |
| 3 | 15.32 | **----** |
| 4 | 15.40 | **----** |
| 5 | 15.40 | **$15.33** |
| 6 | 15.38 | **15.34** |
| 7 | 15.41 | **15.38** |
| 8 | 15.50 | **15.42** |
| 9 | 15.55 | **15.45** |
| 10 | 15.47 | **15.46** |

**Answer:**

1. Crystal owns 1,000 shares of a corporation that pays an annual dividend of $2.17 per share. How much should she expect to receive on a quarterly dividend check? **Answer: $542.50**
2. Discuss the implication of the crossover on the 4th day in the graph below.



**Chapter 1 Review: Problem Set #5 – To advance to the ENDZONE!**

1. Maleke owns 24% of a partnership. Jo’Mari owns 48% of the partnership. If Emani is the third partner, what percent of the partnership does she own? **Answer: 28%**
2. Silvercorp Metals Inc. closed on Sept. 16, 2013 at $2.74. The stock lost $0.03 from the previous trading day, Sept. 13th.
	1. What was the closing price on Sept. 13th? **Answer:** **$2.77**
	2. What was the net change from Sept. 13 to Sept. 16? Express your answer as a percent. **Answer: – 1.1%**
3. Draw a bar chart representing the stock data below. Be sure to properly label your chart.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Day** | **Open**  | **Close** | **Change** | **High** | **Low** | **Volume (millions)** |
| Jan 10 | 15.80 | 15.69 | – 0.11 | 15.85 | 15.67 | 75 |

1. LaShae owns 200 shares of stock in ABC Corporation. The corporation is worth $5.1 million. ABC Corporation recently lost a lawsuit worth $5.8 million. How much of the $5.8 million settlement is LaShae personally liable for? Explain. **Answer: $0 because of limited liability for shareholders of public corporations.**
2. Aminah is thinking about buying stock in Target Corp, which pays an annual dividend of $1.72 per share. The closing price on Monday was $63.79. How does the current yield of Target stock compared to the 0.9% annual interest rate Aminah could make on her money in a savings account at Bank of America? **Answer: yield = 2.7%, so she would earn 1.8% more annually by investing in stock.**