

Understanding the Stock Market Review

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5th Grade History: Economics

Name: _____

Date: _____

Answer the following questions based on what you learned about the stock market.

1. What do stocks represent in a company?

- A. Ownership
- B. Debt
- C. Profit

2. Investors try to buy stocks when prices are ____ and sell them when prices are ____.

3. Why might a company want to sell stocks?

4. Stock prices only go up and never down.

- True False

5. What helps determine the value of a stock?

- A. The weather
- B. Company performance and market conditions
- C. The number of employees

6. The plans of the diligent surely lead to ____, according to Proverbs 21:5.

7. Was it easy or hard to make good investment choices during the simulation? Why?

8. Careful planning is important in investing, according to biblical wisdom.

- True False

9. What do companies do with the money raised from selling stocks?

- A. Give it to employees
- B. Buy back their own stocks
- C. Use it for growth and new projects

10. How might careful planning help in investing?

Answer Key

1. Ownership 2. low, high 3. A company might sell stocks to raise money for growth and expansion. This allows them to invest in new projects and hire more employees. 4. False 5. Company performance and market conditions 6. profit 7. It was sometimes hard to make good choices because stock prices changed quickly. I had to think carefully about when to buy and sell. 8. True 9. Use it for growth and new projects 10. Careful planning can help investors make better decisions about when to buy and sell stocks. It can lead to more profits and reduce the risk of losses.