## Assignment-15

Define Stock Split with example

A Stock offit is a compared action is which a company drudes its existing hours into multiple new shares to boost the obtables liquidity. while the number of shares outstanding increases by a specific multiple, the total value of the shares remains the same because the split abount change. The lotal values the poice for shares decreases, making the stack more affordable and accessible to investors.

Example 1:2 for 1 stocks split:

In a 2-for -y Stock Split, every exicaisting shares is divided into two shares.

Por shave.

\* After the Split: You will have 200 shares at \$40 Per have

Total Investment Value evenains the Same: 100 Shaves X \$ 80 = \$ 8,000 before the Split 200 oshave X \$ 40 = \$ 8000 after the Split.

Example 2:3 for 1 Stock osplit In a 3-for-1 stock split, each existing Share is divided into those shares \* Before the splits: You own so shares at \$150 Per haves \* After the opplit: You will have 150 shave at \$ 50 Por share. Total investment Value gremains unchanged: 50 shares + \$150 = \$71500 before the split 150 ophanes + 150 = \$ 7500 after the split Example 1" 2 for 1 stocks specific To a 2 for is above expert, every excepting exercis is lacited into two diasies. & popular the split: You can 100 hours at 100 Open France and the sea was here a & Affect the special yourself have see show Total Investment Value summer the Sume: shares & E sa = & socies before the winds in 1 10 2 1 5000 ofter the spelle.