

How the Stock Market Works

Key Concepts:

- Initial Public Offering (IPO)
- Stock Exchanges
- Supply and Demand
- Brokers
- Trading Platforms
- Indices

Important Definitions:

- Initial Public Offering (IPO): the process by which a company offers its shares to the public for the first time
- Stock Exchanges: platforms where shares of publicly traded companies are traded

Examples:

- NYSE
- NASDAQ
- S&P; 500
- Dow Jones Industrial Average

Role of Technology in the Stock Market

- Mobile apps and online trading platforms have made it easy to access the stock market
- Technology has increased the efficiency and speed of trading

Summary:

The stock market operates on the principles of supply and demand, with brokers and trading platforms connecting buyers and sellers.