2.

The purpose of the stock market was not only to use it as a gauge to measure economic progress, but it was put in place to allow the public to invest in companies they believed would prosper, which would give these companies the money they need to operate successfully. This is like gambling because a person investing is putting their money forth for the company to use, getting dividends back in return, but if that company should fail you will lose that money you invested into it.

5.

A.

Buying a new house would be an investment because the hopes for this purchase are that after years of owning the home its value will increase and they will make money when it comes time to sell the building.

B.

Buying AT&T stock would be an investment because if the company does well (even though their cell phone coverage is rather poor in some areas; i.e.: Meadville.) you will be paid the money you invested, plus dividends. Making this a profitable investment.

C.

Putting money in the bank would be an example of saving. It is there, earning small amounts of interest, and it can be taken out at a later time without consequence. Plus this is very low risk, unless the fed banking system collapses.

D.

Borrowing $1000 to buy a car to use for your business would be an investment because you will be able to use that vehicle to gain additional revenue at work.