

MCQ 1

[Easy] Question: What is the stock market?

- A) A physical location where stocks are traded
- B) A network of exchanges where investors buy and sell shares of companies
- C) A type of savings account
- D) A government bond

Correct Answer: B

MCQ 2

[Easy] Question: What does "stock" represent?

- A) A loan to a company
- B) Ownership in a company
- C) A type of currency
- D) A government bond

Correct Answer: B

MCQ 3

[Medium] Question: What is a stock exchange?

- A) A place where companies store their inventory
- B) A marketplace where stocks are bought and sold
- C) A government agency that regulates stocks
- D) A type of bank

Correct Answer: B

MCQ 4

[Hard] Question: What is an IPO (Initial Public Offering)?

- A) When a company's stock is available to the public for the first time

- B) When a company buys back its own shares
- C) When a company merges with another company
- D) When a company declares bankruptcy

Correct Answer: A

MCQ 5

[Easy] Question: What is a "share"?

- A) A portion of ownership in a company
- B) A type of loan
- C) A type of bond
- D) A government security

Correct Answer: A

MCQ 6

[Medium] Question: What is a "bull market"?

- A) A market where stock prices are generally rising
- B) A market where stock prices are generally falling
- C) A market where stock prices are stable
- D) A market where only bulls are traded

Correct Answer: A

MCQ 7

[Medium] Question: What is a "bear market"?

- A) A market where stock prices are generally falling
- B) A market where stock prices are generally rising
- C) A market where stock prices are stable
- D) A market where only bears are traded

Correct Answer: A

MCQ 8

[Hard] Question: What is "market capitalization"?

- A) The total value of a company's outstanding shares
- B) The amount of cash a company has on hand
- C) The company's annual revenue
- D) The company's annual profit

Correct Answer: A

MCQ 9

[Easy] Question: What is a "dividend"?

- A) A portion of a company's earnings paid to shareholders
- B) The interest paid on a bond
- C) The price of a stock
- D) A fee paid to a broker

Correct Answer: A

MCQ 10

[Medium] Question: What is a "broker"?

- A) A person or firm that facilitates the buying and selling of stocks
- B) A person who manages a company's finances
- C) A government regulator of the stock market
- D) A type of investor

Correct Answer: A

MCQ 11

[Hard] Question: What is "short selling"?

- A) Borrowing shares, selling them, and hoping to buy them back at a lower price
- B) Buying shares and hoping they increase in value
- C) Selling shares you already own
- D) Buying and selling shares within the same day

Correct Answer: A

MCQ 12

[Easy] Question: What does "volume" refer to in the stock market?

- A) The number of shares traded
- B) The price of a stock
- C) The size of a company
- D) The amount of news about a company

Correct Answer: A

MCQ 13

[Medium] Question: What is a "stock index"?

- A) A measurement of the performance of a group of stocks
- B) A list of all stocks traded on a particular exchange
- C) A type of bond
- D) A type of mutual fund

Correct Answer: A

MCQ 14

[Hard] Question: What is "volatility" in the stock market?

- A) The degree of price fluctuation of a stock or the market as a whole
- B) The average price of a stock over a period of time
- C) The number of shares traded in a day
- D) The stability of a company's earnings

Correct Answer: A

MCQ 15

[Easy] Question: What is a "ticker symbol"?

- A) A short abbreviation used to identify a particular stock
- B) A graph showing the price history of a stock
- C) A news report about a company
- D) A type of financial statement

Correct Answer: A

MCQ 16

[Medium] Question: What is "market correction"?

- A) A decline of 10% or more in the stock market from its recent high
- B) A rise of 10% or more in the stock market from its recent low
- C) A period of stable stock prices
- D) A period of high volatility

Correct Answer: A

MCQ 17

[Hard] Question: What is "dollar-cost averaging"?

- A) Investing a fixed amount of money at regular intervals regardless of price

- B) Investing all your money at once
- C) Investing only when the market is down
- D) Investing only when the market is up

Correct Answer: A

MCQ 18

[Easy] Question: What is a "portfolio"?

- A) A collection of investments held by an individual or institution
- B) A type of stock
- C) A type of bond
- D) A financial statement

Correct Answer: A

MCQ 19

[Medium] Question: What is "diversification" in investing?

- A) Spreading investments across different asset classes to reduce risk
- B) Investing all your money in one stock
- C) Investing only in high-risk stocks
- D) Investing only in low-risk bonds

Correct Answer: A

MCQ 20

[Hard] Question: What is a "circuit breaker" in the stock market?

- A) A temporary halt in trading designed to curb panic selling
- B) A type of stock index

- C) A type of investment strategy
- D) A government regulation on stock prices

Correct Answer: A

MCQ 21

[Easy] Question: What does "bid" price represent?

- A) The highest price a buyer is willing to pay for a stock
- B) The lowest price a seller is willing to accept for a stock
- C) The last traded price of a stock
- D) The average price of a stock

Correct Answer: A

MCQ 22

[Medium] Question: What does "ask" price represent?

- A) The lowest price a seller is willing to accept for a stock
- B) The highest price a buyer is willing to pay for a stock
- C) The last traded price of a stock
- D) The average price of a stock

Correct Answer: A

MCQ 23

[Hard] Question: What is "insider trading"?

- A) Illegal trading of a company's stock by someone with non-public information
- B) Legal trading of a company's stock by its employees
- C) Buying and selling stocks based on publicly available information
- D) Analyzing financial statements to make investment decisions

Correct Answer: A

MCQ 24

[Easy] Question: What is a "mutual fund"?

- A) A professionally managed investment vehicle that pools money from many investors to purchase securities.
- B) A type of individual stock
- C) A type of bond
- D) A government security

Correct Answer: A

MCQ 25

[Medium] Question: What is an ETF (Exchange Traded Fund)?

- A) A type of investment fund that is traded on a stock exchange, typically tracking a specific index.
- B) A type of individual stock
- C) A type of bond
- D) A government security

Correct Answer: A