## Lesson 22: The Stock Market

Let's learn about the Stock Market.

## 22.1: Revisiting Interest and Depreciation

1. Lin deposited $\$ 300$ in a savings account that has a $2 \%$ interest rate per year. How much is in her account after 1 year? After 2 years?
2. Diego wants to sell his bicycle. It cost $\$ 150$ when he bought it but has depreciated by $15 \%$. How much should he sell it for?

## 22.2: Gains and Losses

1. Here is some information from the stock market in September 2016. Complete the table.

| company | value on <br> day 1 <br> (dollars) | value on <br> day 2 <br> (dollars) | change <br> in value <br> (dollars) | change in value as <br> a percentage of <br> day 1 value |
| :---: | :---: | :---: | :---: | :---: |
| Mobile Tech <br> Company | 107.95 | 111.77 | 3.82 | $3.54 \%$ |
| Electrical <br> Appliance <br> Company | 26.14 | 25.14 |  |  |
| Oil <br> Corporation | 214.03 | 2.43 | $2.18 \%$ |  |
| Department <br> Store <br> Company | 7.38 | 7.17 |  | $-3.83 \%$ |
| Jewelry <br> Company | 70.30 |  | $2.27 \%$ |  |

2. Which company's change in dollars had the largest magnitude?
3. Which company's change in percentage had the largest magnitude?

## 22.3: What is a Stock Portfolio?

A person who wants to make money by investing in the stock market usually buys a portfolio, or a collection of different stocks. That way, if one of the stocks decreases in value, they won't lose all of their money at once.

1. Here is an example of someone's stock portfolio. Complete the table to show the total value of each investment.

| name | price <br> (dollars) | number of <br> shares | total value <br> (dollars) |
| :---: | :---: | :---: | :---: |
| Technology Company | 107.75 | 98 |  |
| Airline Company | 133.54 | 27 |  |
| Film Company | 95.95 | 135 |  |
| Sports Clothing <br> Company | 58.96 | 100 |  |

2. Here is the same portfolio the next year. Complete the table to show the new total value of each investment.

| company | old price <br> (dollars) | price <br> change | new price <br> (dollars) | number <br> of shares | total value <br> (dollars) |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Technology <br> Company | 107.75 | $+2.43 \%$ |  | 98 |  |
| Airline <br> Company | 133.54 | $-7.67 \%$ |  | 27 |  |
| Film Company | 95.95 | $-5.56 \%$ | 87.58 | 135 |  |
| Sports <br> Clothing <br> Company | 58.96 |  | 100 |  |  |

3. Did the entire portfolio increase or decrease in value over the year?

## 22.4: Your Own Stock Portfolio

Your teacher will give you a list of stocks.

1. Select a combination of stocks with a total value close to, but no more than, $\$ 100$.
2. Using the new list, how did the total value of your selected stocks change?
