

14. Stock exchanges are not securities markets whose members are engaged in buying and selling securities such as stocks and bonds. a. true b. false
15. The criteria for selecting investments include risk, yield, duration, and tax consequences. a. true b. false
16. Money is anything people generally accept as payment for goods and services. a. true b. false
17. The Federal Reserve makes financial institutions keep funds in the Federal Reserve System (reserve requirement), buys and sells government securities (open market operations), and lends money to banks (the discount rate). To increase the money supply, the Fed can cut the reserve requirement, buy government bonds, and lower the discount rate. a. true b. false
18. The institutions that make up the banking system include savings and loans, commercial banks, and credit unions. a. true b. false
19. Nonbanks do not include life insurance companies that lend out their funds, pension funds that invest in stocks and bonds and make loans, brokerage firms that offer investments services and commercial finance companies. a. true b. false
20. The agencies that insure the money you put into a bank, S&L, or credit union, include National Credit Union Administration (NCUA), the Federal Deposit Insurance Corporation (FDIC), the Saving Association Insurance Fund (SAIF), and the National Credit Union Administration (NCUA). a. true b. false

Instruction.

Please use the answer sheet below. Make sure your name, class, and section are on it. Use the letters A or B. Anything else will result in 5-10 points deducted from your score. Do not modify the answer sheet.

BA130 MODULE 6 TEST ANSWER SHEET

Name: Mya Lacey

Class: ___ BA130-01 ___ BA130-02 BA130-03 ___ BA130-04

Date:

Please complete this answer sheet and save it. Place a copy of the completed sheet in the dropbox for Module Test 6. Use A for true and B for false. Please type A or B by the number. Leave nothing blank. Do not modify this answer sheet.

1.B

2.B

3.A

4.A

5.B

6.A

7.A

8.B

9.A

10.B

11.A

12.A

13.B

14.A

15.B

16.A

17.A

18.B

19.B

20.A

