

Lesson 5

Exit ticket sheet

Answer the following questions based on our lesson today. You may use your mind map and mini-profile as an aid!

1. What is an investment vehicle?
 - a) A car used for transporting money
 - b) A tool for budgeting expenses
 - c) A product individuals can invest in to grow their money
 - d) A government-issued license to invest
2. Which of the following is an example of a direct investment vehicle?
 - a) Mutual fund
 - b) ETF
 - c) Stock
 - d) Segregated fund
3. Bonds are best described as:
 - a) A piece of ownership in a company
 - b) A government grant
 - c) A loan made by an investor to a company or government
 - d) A form of real estate investment
4. Which of the following is a feature of a mutual fund?
 - a) Trades throughout the day
 - b) Priced once a day at market close
 - c) Typically passive in nature
 - d) Does not charge any fees
5. Segregated funds are most commonly offered by:
 - a) Banks
 - b) Government agencies
 - c) Insurance companies
 - d) Stock exchanges

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Answer key

1. What is an investment vehicle?

Answer C: It is a product that helps people grow their money through investing.

2. Which of the following is an example of a direct investment vehicle?

Answer C: Stocks are a type of direct investment where you own part of a company.

3. Bonds are best described as:

Answer C: Bonds are loans you give to a company or government, which pay you back with interest.

4. Which of the following is a feature of a mutual fund?

Answer B: Mutual funds are priced once a day at the end of the trading day.

5. Segregated funds are most commonly offered by:

Answer C: Insurance companies offer segregated funds, which combine investment and insurance features.

6. True or False: ETFs are typically actively managed and have high fees.

Answer False: ETFs are usually passively managed and have lower fees.

7. True or False: Direct investment requires hands-on management and market research.

Answer True: Direct investing needs active involvement and understanding of the market.

8. True or False: Hedge funds are available to all public investors.

Answer False: Hedge funds are private and usually only available to investors with high income or assets.

9. True or False: Diversification is an important factor in choosing an investment strategy.

Answer True: Spreading investments across different areas helps reduce risk.

10. True or False: NAV (net asset value) is used to price ETFs in real time.

Answer False: NAV is used to price mutual funds once daily; ETFs are priced continuously during trading hours.