

2017-18

Finance and Investment
Challenge Bowl



2017-18 FICB SET 3



This term refers to a “place” where people meet to buy and sell goods and services.

Answer: Market

The State of Wisconsin caps the interest rate a payday loan store can charge a customer at:

- A. 10%
- B. 25%
- C. 100%
- D. There is no cap



He's the current U.S. Secretary of State.

Answer: Rex Tillerson



It's a tax on an imported good.

Answer: Tariff



The US Department of Labor calculates the Consumer Price Index (CPI) to keep track of inflation. All told, the CPI keeps track of approximately how many consumer items?

- A. 150
- B. 2,500
- C. 80,000

Which of the following major insurance companies is headquartered in Madison, Wisconsin?

- A. American Family
- B. State Farm
- C. Farmer's

End of Round 1



It's the amount of unsold goods, goods-in-progress and raw materials held by a business.

Answer: Inventory

This insurance industry employee investigates claims by interviewing the claimant and witnesses, consulting with police, obtaining medical records, and inspecting property damage.

- A. Insurance Underwriter
- B. Actuary
- C. Claims Adjuster

Define *demographic*.

Answer: The identification of a population based on factors such as age, race, sex, economic status, level of education, income level and employment, among others for study, analysis, comparison, etc.

- 7 William McChesney Martin (1951 – 1970)
- 6 Arthur F. Burns (1970 – 1978)
- 5 G. William Miller (1978 – 1979)
- 4 Paul Volcker (1979 – 1987)
- 3 Alan Greenspan (1987 – 2006)
- 2 Ben Bernanke (2006 – 2014)
- 1 Janet Yellen (2014 – present)

Answer: Chairmen (Chairperson) of the Federal Reserve

If you borrow money at 1.75% per month, what is the annual percentage rate (APR)?

Answer: 21%

If you borrow money at .75% per month, what is the annual percentage rate (APR)?

Answer: 9%

What is the name of the federal agency that regulates the stock market?

Answer: The Securities and Exchange Commission (SEC)



What is a *corporate bond*?

Answer: It's a loan to a company. The investor agrees to loan money to the company in return for a fixed rate of interest and full repayment of the loan at the end of the term, or maturity date.

It's the promise by the manufacturer to the buyer that goods are as promised and that any defects, within a defined period of time, will be corrected.

Answer: Warranty

Which of the following companies did Rex Tillerson lead as Chief Executive Officer (CEO)?

- A. Sears
- B. ExxonMobil
- C. Intel
- D. Skynet

End of Round 2



It's a measure of the efficiency of a person, machine, factory, system, etc., in converting inputs into useful outputs.

Answer: Productivity

It's the practice of denying services to residents of certain areas based on the racial or ethnic composition of those areas.

- A. Masking
- B. Redlining
- C. Pigeon-holing

It's the agency responsible for producing the nation's supply of coins.

Answer: U.S. Treasury's Bureau of the Mint, or the Mint



It's the agency responsible for producing the nation's supply of paper currency.

Answer: U.S. Treasury's Bureau of Engraving and Printing (BEP)

Name one of the three major credit reporting agencies.

Answer: Equifax, Experian or TransUnion

You should consider fees, the annual percentage rate, limits, the grace period and other factors when applying for your first _____.

- A. Mortgage
- B. Credit card
- C. Bank savings account

What is a non-durable good?

Answer: A good that is capable of easily being consumed; that may be destroyed, dissipated, wasted, or spent in a relatively short period of time.

It's the amount you will pay before your insurer pays for damage done to the fender on your car.

Answer: Deductible

How does a weak dollar affect U. S. exports?

Answer: All other things being equal, a weak dollar will lead to an *increase* in exports to countries with currencies that have grown stronger relative to the dollar.

In financial terms it is a security or guarantee, typically an asset, pledged by a borrower to a lender as insurance in case the lender defaults on a loan.

- A. Collateral
- B. Promissory note
- C. Down-payment
- D. Escrow

This document relates to a new or existing security, intended to provide the investor information that will help him/her decide whether to buy the security or not.

Answer: Prospectus

He's the current Vice-President of the United States.

Answer: Mike Pence



It's the result of when a quantity supplied exceeds the quantity demanded.

Answer: Surplus

The Federal Reserve system headquarters is located here.

- A. Philadelphia
- B. Baltimore
- C. New York City
- D. Washington D.C.

End of Round 3

