

2017

Finance & Investment

CHALLENGE BOWL



2017
Finance &
Investment
Challenge Bowl
Set 4

Roughly 15,000 aircraft, along with an estimated one million visitors, descend upon this Wisconsin city annually to attend the EAA AirVenture.

Answer: Oshkosh



The average price of a new construction home, sold in 2015, was approximately \$155,000.

Answer: False (The average price for a new construction home in 2015 was approximately \$355,000, making them unaffordable for many individuals and families)

It's a charge or commission paid by an individual when he or she sells an investment, such as a mutual fund:

- A. Closing fee
- B. Capital gains fee
- C. Redemption fee

On average, foreigners traveling to the U.S. spend more than \$4,000 and stays 17 nights.

Answer: True

Most of the commercial-scale turbines installed today are 2 megawatts in size and cost roughly \$20,000 to \$30,000 installed.

Answer: False. The approximate cost of each wind turbine is between \$3-\$4 million installed.



Define *alternative energy*.

Answer: Alternative energy is an umbrella term that refers to any source of usable energy intended to replace current fuel sources that don't have the undesired effects or consequences of the replaced energy, e.g. fossil fuels.

End Round 1

Name two types of “green” alternative energy sources besides wind turbines.

Answer: Solar, geothermal, hydroelectric, wave, hydrogen & nuclear.

It's the ticker symbol for IBM (International Business Machine).

Answer: I-B-M

It's a loan that allows homeowners 62 and older the opportunity to continue living in their home while they receive regular payments, or a lump sum, of money based on the equity in the property (until the property is sold or the borrower(s) are deceased).

Answer: Reverse mortgage

It's a timing strategy of investing equal dollar amounts regularly over specific time periods.

- A. Dollar cost averaging
- B. Asset allocation
- C. Active management

It's an individual who or organization that receives benefits under a will, insurance policy, retirement plan, annuity, trust, or other contract.

Answer: Beneficiary

It's a stock quote that gives the price of a stock at the present moment.

- A. At-the-moment quote
- B. Here-and-now quote
- C. Real-time quote

Which of the following would be most interested in real-time stock quotes?

- A. Day trader
- B. Mutual fund investor
- C. Certificate of Deposit owner

What term describes the original amount of money that a person invests?

- A. Basis
- B. Gain
- C. Yield

Name a reason why some banks and credit unions offer cash incentives to customers who open checking accounts with direct deposit?

Answer: Direct deposit attracts new members and offers banks and credit unions measurable streams of “income” to base their investment activities on. It’s also less expensive for banks to administer these types of accounts because no tellers are necessary for the transactions.

What is this, and why should every household have one?

Answer: It's a paper shredding device used to destroy unwanted documents that contain personal information and avoid identity theft.



End Round 2

Your meal was delicious. However, the waitress service was terrible. Although the suggested percentage of tip someone should leave is 15%, you decide to “teach someone a lesson” and leave one-third of that on a \$40 dinner bill.

What is the total cost of your restaurant meal?

Answer: \$42

What does ***delisted*** mean in terms of a stock and a stock exchange?

Answer: A condition of the exchange to be listed on it was not met by the stock which resulted in it being removed from it and can't be traded. Conditions generally involve falling below established price barriers, failure to submit certain documents, etc.

While the U.S. may have the highest overall debt, ten countries are in even worse shape (as of year-end 2015) with a higher debt-to-GDP ratio, a measure of a country's debt compared to its economic output. Name one of them.

Answer: Japan, Greece, Lebanon, Italy, Portugal, Jamaica, Cape Verde, Cyprus, Belgium and Singapore

- 6 Displays current total of armed forces personnel
- 5 Displays current total of manufacturing jobs
- 4 Displays current total of individuals living in poverty
- 3 Displays current total of income tax payers
- 2 Displays current total of prison inmates
- 1 Displays current amount of US debt

Answer: U.S. National Debt Clock

What is a *fixed rate mortgage*?

Answer: A fixed rate mortgage offers its holder an interest rate that's locked for the duration of the mortgage. It does not adjust up or down.

Which U. S. professional sport generates the most annual revenue?

Answer: Professional Football (NFL)

While financial experts like to suggest a person should have saved nearly \$1 million to retire comfortably, according to EBRI (Employee Benefit Research Institute) the average amount saved by those 65 years of age is approximately:

- A. \$75,000
- B. \$250,000
- C. \$500,000

This university is ranked #1 by more magazines, agencies, experts, faculty, journals, productivity rankings, graduation rates, affiliations, etc. than any other.

- A. Harvard
- B. Princeton
- C. Stanford

This U.S. automotive manufacturer consistently rates lowest in reliability yet continues to be popular and enjoy sales among a very loyal, 4WD-minded customer base.

Answer: Jeep



Define *APR*.

Answer: Annual percentage rate (APR) is the annual rate that is charged for borrowing (or made by investing), expressed as a single percentage number that represents the actual yearly cost of funds over the term of a loan.

If a blue-collar worker can be defined as a member of the working class and a white-collar worker a salaried professional, how would you define a green-collar worker?

Answer: A green-collar worker is someone employed in an environmental sector of the economy.

It's the term for the production of large amounts of standardized products, especially those found on assembly lines.

Answer: Mass production

It's the purchase of one business or company by another company or other business entity.

- A. Accreditation
- B. Ascertainment
- C. Acquisition

It refers to a type of corporate action where a company "splits off" sections of itself as a separate business.

- A. Spin down
- B. Spin up
- C. Spin off

End Round 3