

2017

Finance & Investment

CHALLENGE BOWL



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Challenge Bowl
Set 7

It's the average cost of a basic burial in the United States.

- A. \$6,500
- B. \$12,200
- C. \$19,700

The book value of a piece of manufacturing equipment may be entirely different than its market value.

Answer: True



The amount of student loan debt now past due totals over \$85 billion.

Answer: True

It's a contract provision that allows a lender to require a borrower to repay all or part of an outstanding loan if certain requirements are not met.

- A. Skip Tracer
- B. Abeyance
- C. Acceleration Clause

Index mutual funds rarely perform better than professionally managed mutual funds.

Answer: False

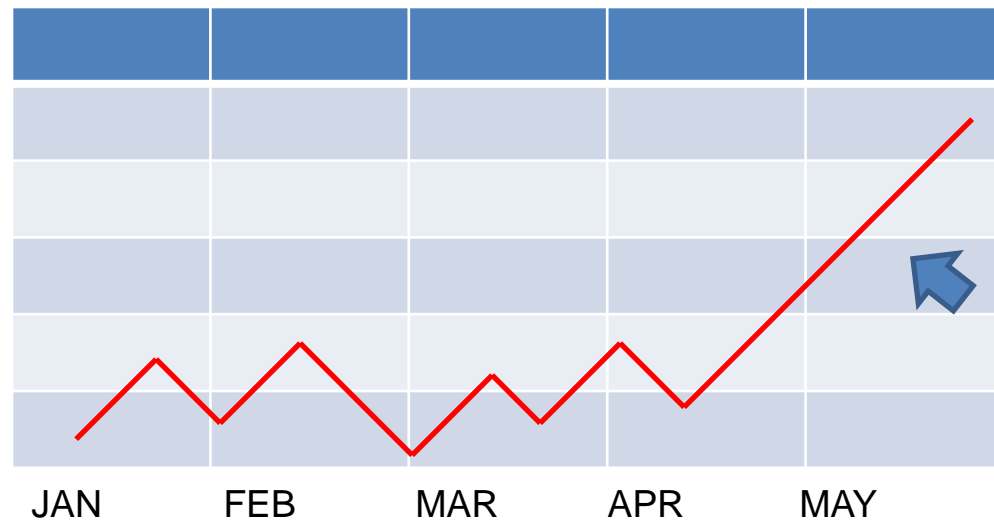
If you pay the person or business who mows your lawn in cash, and they don't report the income, you are participating in the ***black*** or ***underground economy***.

Answer: True

End Round 1

In the world of technical analysis the stock price for XYZ Company shows what in the chart below?

- A. Breakout
- B. Flat line
- C. Bounce



It's the tallest building in Wisconsin.

Answer: The US Bank Center in Milwaukee



Why do candidates “suspend” their campaigns instead of ending them?

Answer: So they can continue to collect donations and pay bills even though they’re not on the ballot.

It's the largest country in the world by surface area.

- A. Canada
- B. China
- C. Russia

Which of the following is the most prevalent type of economy today?

- A. Mixed economy
- B. Command economy
- C. Market economy

It involves the buying of an asset in one market and simultaneously selling an identical asset in another market at a higher price.

- A. Arbitrage
- B. Manipulation
- C. Forecasting

It's the amount a company or an economy can produce using its current equipment, workers, capital, and other resources at full tilt.

- A. Commodity
- B. Churning
- C. Capacity

These state laws require sellers of new stock issues or mutual funds to register their offerings and provide financial details on each issue.

- A. Blue Harbor Laws
- B. Blue Moon Laws
- C. Blue Sky Laws

It's the term for an individual in whom another has placed the utmost trust and confidence to manage and protect property or money.

- A. Fiduciary
- B. Depository
- C. Gunslinger

It's an agreement among firms to divide the market, set prices, or limit production. It can involve wage fixing, kickbacks, misrepresentation, etc. Often illegal and therefore secretive, its intention is to limit open competition by deceiving, misleading, or defrauding others of their legal rights.

- A. Corruption
- B. Collusion
- C. Contraband

End Round 2

It's an approach to business based on looking after yourself by looking out for your own.

- A. Crony capitalism
- B. Socialism
- C. Marxism

It's a method of reaching economic decisions by comparing the costs of doing something with its benefits.

Answer: Cost-benefit analysis

When you buy a computer, you also need to buy software. Computer hardware and software are therefore what type of goods?

- A. Complementary goods
- B. Substitute goods
- C. Converging goods

Define ***competitive advantage***:

Answer: Something that gives a firm (or a person or a country) an edge over its rivals. For example, Company A can bring to the market a product faster than Company B. This may be due to a better skilled workforce, better access to raw materials, more efficient lines of communication, better management, etc.

It's a popular term for the New York Stock Exchange.

- A. Big Board
- B. Big Deal
- C. Big Kahuna

It's a final payment on a debt that is substantially larger than the preceding payments.

- A. Concluding payment
- B. Stop-gap payment
- C. Balloon payment

What is a trade deficit?

Answer: A trade deficit exists when a country imports more goods from a country (what it buys from that foreign country) than it exports to that country (what it sells to that foreign country).

It's when a company takes over controlling interest in another company.

- A. Subrogation
- B. Acquisition
- C. Merger

It's the reduction or elimination of government regulations in a particular industry, usually enacted to create more competition within the industry.

- A. Deregulation
- B. Subrogation
- C. Pacification

Which progression makes the most sense?

- A. Forest > Timber > Lumber > Wood Pulp > Paper
- B. Timber > Forest > Wood Pulp > Lumber > Paper
- C. Forest > Lumber > Wood Pulp > Timber > Paper



Your monthly car payment is higher than your neighbor although you own the same car, purchased it at the same time, paid the same amount of money for it and had the same amount of down-payment. How can that be?

Answer: The rate of interest you're being charged is higher than what it being charged your neighbor.

You're on a flight from Madison to Fort Lauderdale and while conversing with the person in the next seat you learn she paid almost 60% less for her ticket than you did. How could this be?

Answer: Airline ticket prices fluctuate greatly and are dependent on numerous variables such as when they are purchased, the length of stay, whether they were refundable or not, etc.

Which of the following are considered *fungible*?

- A. Common shares of the same company
- B. Soybeans
- C. Dollar bills
- D. All of the above

Those things that are fungible are equivalent, substitutable and interchangeable.

It's a statistic used for judging the health of an economy, such as GDP, the rate of unemployment or the rate of inflation.

- A. Economic Barometer
- B. Economies of Scale
- C. Economic Indicator

End Round 3