

PREVIEW

Understanding the Stock Market Crash Vocabulary

At a high school nearby a few years ago a student was given 2 Chicago Bull's basketball tickets, which had a face, price of \$20 by his uncle. When the student (Jeff) and a friend went to the United Center, they found many people who were willing to pay \$50 per ticket and they ultimately sold the tickets and went home with \$50 each.

Jeff thought about how easy it was to sell the tickets and figured if he could buy tickets for future games that might be sold for a higher price. One day he called the Bulls' box office and bought 11 tickets for the second to last game of the season. He then found other buyers and sold them for a higher price. This is called **speculating**.

Jeff had enough money to buy 11 tickets. He was so confident of his friends – each would buy one – that he used more than his own money. He borrowed money from 11 friends. Each friend would get back their money plus a profit, each \$1.

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1. Market _____

B. Buying things with loaned money.

2. Sp

and long-lasting drop

3. M

marks a chain-
of events to follow.

4. Bu

market completely

5. C

essively under the
impression that the value
will rise in the future.

6. M

items are bought
at a price agreed upon

7. R

8. R

9. D

H. When the perceived value of the items in a market is higher than the actual value.

I. A slow, gentle drop in the economy.

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