***3/24/15 -4/3/15 Notes***

* **The DOW Jones Industrial Average –** A stock index of the average stock prices of the biggest 30 American companies that is adjusted for inflation.
* **Liquidity –** assets that are able to be turned to cash fast
* **Mortgage –** usually in real estate, the person is able to use the security of the loan
* **S&P 500 –** A stock index of the average stock prices of the biggest 500 American companies
* **Nasdaq –** A technology stock index of the average stock prices
* **Quote –** a price for something right now
* **How a bond works –** $50,000 bond pays 10% with a 5 year term (60 payments) the borrower has to pay back monthly. It pays $5,000 in return ($83 per month for the investor)
* **Progressive Tax –** percentage of tax increases as income goes up (income tax)
* **Regressive Tax -** percentage of tax goes down as income goes up (sales tax)
* **3 levels of government:**
  + **Local (municipal)- property tax**
  + **State – sales tax**
  + **Federal – income tax**
* Pension usually reserved for Government employees (teachers, policemen, firefighters)
* 401K took the place of the pension for most jobs
* **Municipal bond –** major difference is that it is tax exempt
* **Criminal Law -** has to deal with committing a crime
* **Civil Law -** divorce, breaking a contract
* *1.1% of the US population work in agriculture*
* *20% of the US population work in manufacturing*
* **Portfolio –** a collection of investments
* **Business cycle –** long term fluctuations in economic activity

***4/6/15 – 4/10/15***

* **Expenditures –** expenses paid
* **Disposable income –** money you can invest after paying bills etc.
* **Primary Market –**
* **Secondary Market –**
* **Financial intermediary –** places to get money to invest
* **Retail –** selling to a consumer
* **Durable goods –** things that last a long time, do not buy them all the time (new car, refrigerators, washing machine)