

# Stock Market Quiz - Stock Market Quiz Questions With Answers

214 Administrator Tue, Sep 7, 2021 [General Knowledge](#) 3 32349



Here are some **quiz questions** related to **stock market**. These can help you test your knowledge of commonly used terms in the context of the stock market. Let us see how many of these **stock market quiz questions** you can answer.

## Stock Market Quiz Questions

1. Demat is the acronym for \_\_\_\_\_
2. A faster way of buying/selling the same number of shares that you earlier had sold/bought, on the same day, in the same exchange, at the market value is known as \_\_\_\_\_
3. How many companies are included in the SENSEX?
4. If you've bought shares in an intraday mode, what should you do before the intraday time ends?
5. To buy/sell shares, you should have a \_\_\_\_\_ account
6. What do IPO and FPO mean?
7. A growing stock market is referred to as a \_\_\_\_\_ market and a falling stock market is called a \_\_\_\_\_ market
8. What is the name of the two share depositories in India?
9. What is the name for selling shares in an intra-day mode, even though you don't have the same shares in your Demat account?
10. KOSPI is the index of which country?
11. The shares you buy are credited to your Demat account, usually, in how many days?

12. What does it mean if a company announces bonus shares in the ratio of 5:1?
13. What is the name of the organization that regulates the securities markets in India?
14. A stock split increases a company's equity capital. TRUE or FALSE?
15. Which of the following investments has the highest liquidity: shares, fixed deposit, closed-end mutual funds?
16. What is the income called that you receive from a company that it may distribute to its shareholders from its profits each year?
17. Stock market investments are ideal for what time horizon: long-term or short-term?
18. What is the short form of the BSE Sensitive Index?
19. If an investor can invest Rs. 1.0 lac or less in an IPO, that investor is categorized as what?
20. You're investing at \_\_\_\_\_ price, if you invest in an IPO at the highest price of the price band
21. Technical investment analysis is suitable for what type of investors?
22. What are the names of the two stock market indices in India?
23. If the price-earnings ratio (P/E) of a company is high, it means you can recover the investment in the shares of that company in a lesser time: TRUE or FALSE?
24. Converting shares in Demat mode back to physical mode is called as \_\_\_\_\_
25. EPS is the acronym for \_\_\_\_\_
26. The statement, with reference to investing in shares, "Don't put all the eggs in one basket," means investing in different companies rather than in one company: TRUE or FALSE?
27. What is the name of the order that you place to buy a share at a specific price you specify?
28. When was Nifty established?
29. What is called a "Blue Chip Company"?
30. Which of the following is responsible for the fluctuations in the Sensex?
  - a. Rain
  - b. Monetary policy
  - c. Political instability
  - d. All of the above
31. A market financial situation that is characterized by the investor's confidence, optimism, and positive expectations that good results will continue is called
  - a. Buyer's Market
  - b. Bear Market
  - c. Bull Market

d. None of these

32. How easily you can buy/sell a share without affecting the share price is called \_\_\_\_\_

- a. Short selling
- b. Averaging down
- c. Liquidity
- d. Volatility

33. An economic value that a company controls with an expectation that it will provide future benefit is called \_\_\_\_\_

- a. Asset
- b. Liabilities
- c. Patents
- d. Book Value

34. A low PE stock is always better than a high PE stock. True or False?

35. The current market price per share multiplied by the total number of outstanding shares of that company will give \_\_\_\_\_

- a. Market lot
- b. Basic EPS
- c. Book Value
- d. Market Capitalization

36. A company with a share price of Rs 4000 is much bigger than another company with a share price of Rs 120.

- a. Can't say
- b. False
- c. True

37. When is officially a 'Bull Market' in stocks?

- a. When a broad market index records a 20% gain from its previous low.
- b. When a major market index hits a record new high.
- c. There's no official definition.
- d. When the Analysts/Pundits of the major news channels announce so.

38. Sensex is a barometer for market behavior. It gives a general idea about whether most of the stocks have gone up or gone down.

- a. False
- b. Can't Say
- c. True

39. What is the Ex-dividend date of a stock?

- a. The date the dividend is paid to shareholders.
- b. The date before which you must own the stock to be entitled to the dividend.

- c. The date the dividend is announced by the company.

40. Blue chips stocks are the \_\_\_\_\_

- a. Stocks of those companies which give the highest dividends.
- b. Stocks of nationally recognized, well-established, and financially sound companies.
- c. Stocks that are growing at a very fast rate compared to their competitors and industry.
- d. Stocks that are undervalued and trading below their intrinsic value.

41. Stock with less volatility, reputed company, long history of growth and earnings is called as

- a. Growth Stock
- b. Income Stock
- c. Large Cap Stock
- d. Blue Chip Stock

42. The ratio that is used to compare a stock's market value to its book value is called:

- a. Price to book ratio
- b. Dividend yield ratio
- c. Price earning ratio
- d. Earning per share

43. Which of the following statements is correct about blue chips stocks?

- a. Earnings are used for reinvestment in order to maintain the growing trend of the stocks
- b. No dividends
- c. They are traded below their market price
- d. The stocks are consistently profitable with a dividend payment

44. If you buy a company's stock then

- a. You own a part of the company
- b. You have lent money to the company
- c. You are liable for the company's debts
- d. The company will return your original investment to you with interest

45. What kind of stocks do you short-sell?

- a. A stock that has the potential to gain value in future
- b. A stock that has profits
- c. A stock that might be experiencing lost value in the future

46. The Indian Stock Market is regulated by:

- a. Reserve Bank of India (RBI)
- b. Government of India (GOI)
- c. Securities and Exchange Board of India (SEBI)

47. NASDAQ is the stock index of which country?
48. FTSE is the stock index of which country?
49. DAX is the stock index of which country?
50. SGX NIFTY is the stock index of which country?
51. NIKKEI is the stock index of which country?
52. HANG SENG is the index of which country?
53. CAC is the stock index of which country?
54. SENSEX is the stock index of which country?
55. Stock trading involves:
  - a. Capital Risk
  - b. Limited Risk
  - c. Guaranteed Returns
56. What is the meaning of LTP in the stock market?
  - a. Least Traded Price
  - b. Last Traded Price
  - c. Lumpsum Total Price
57. What does S&P mean in the S&P 500?
58. What is the full form of NIFTY?
59. What is the full form of SENSEX?

## Stock Market Quiz Answers

1. Dematerialization
2. Square-off
3. 30
4. Sell or take delivery
5. Demat
6. Initial Public Offer (IPO) and Follow-on Public Offer (FPO)
7. Bull and Bear
8. NSDL (National Securities Depository Limited) and CSDL (Central Securities Depository Limited)
9. Short-sell
10. South Korea
11. T (Transaction day) + 2 days
12. One bonus share for every five shares held
13. SEBI (Securities and Exchange Board of India)
14. FALSE
15. Shares
16. Dividend

17. Long-term
18. SENSEX
19. Retail investor
20. Cut-off
21. Short-term
22. NIFTY and SENSEX
23. False
24. Rematerialization
25. Earnings Per Share
26. True
27. Limit Order
28. 1996
29. A company, whose share always provides profit
30. All of the above
31. Bull Market
32. Liquidity - A highly liquid share means that it can easily be bought or sold. A low liquid (Illiquid) stock means that the buyers/sellers are hard to find.
33. Asset
34. False - Sometimes low PE leads to a value trap.
35. Market Capitalization - Market Cap refers to the total market value of a company's outstanding shares. It is calculated by multiplying a company's shares outstanding by the current market price of one share.
36. Can't say - The size of a company is decided by market capitalization which is equal to the current market price multiplied by the total number of outstanding shares of a company.
37. When a broad market index records a 20% gain from its previous low.
38. True
39. The date before which you must own the stock to be entitled to the dividend.
40. Stocks of nationally recognized, well-established, and financially sound companies.
41. Blue Chip Stock
42. Price to book ratio
43. The stocks are consistently profitable with a dividend payment.
44. You own a part of the company which represents a claim on the company's assets and earnings. It gives you the right to receive the dividends that the company announces on its shares. Anyone can hold shares in a company, including people who also work in the company and receive a salary.
45. A stock that might be experiencing lost value in the future. Short-selling means the sale of a stock, the trader does not own. You borrow a stock, sell the stock,

and then buy the stock back to return it to the broker. It is used to capitalize on a potential decline of security.

- 46. Securities and Exchange Board of India (SEBI)
- 47. United States of America
- 48. United Kingdom
- 49. Germany
- 50. Singapore
- 51. Japan
- 52. Hongkong
- 53. France
- 54. India (BSE)
- 55. Capital Risk
- 56. Last Traded Price
- 57. Standard & Poor's
- 58. National Stock Exchange Fifty
- 59. Stock Exchange Sensitive Index

If you liked this **stock market quiz**, please share it with your friends and colleagues and let them check their knowledge of the stock market.

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