Business 10: Finance Test Review

1. What is income and the different types of income? (Gross, Disposable, Discretionary)
2. Factors that influence consumers buying decisions (income and price, status, current trends, customs and habits, promotion)
3. What is conspicuous consumption?
4. What is a budget? Why is it important to have one?
5. What is the difference between a bank, credit union and trust company?
6. The difference between a transactional account and savings account
7. The difference between loans and lines of credit?
8. Different reasons why people save
9. How to calculate compound interest and simple interest
10. The different types of savings plans and investments (savings accounts, G.I.C’s, RRSP’s, RESP’s, Stocks, Mutual Funds, Real estate, collectibles)
11. Credit. What is it and why is both good and bad? Advantages and Disadvantages?
12. What are the 3 C’s regarding deciding who gets and should get credit?

Key terms:

Income, disposable income, discretionary income, gross income, conspicuous consumption, budget, line of credit, savings, investing, deposit, interest, rate of return/yield, principal, simple interest, compound interest