



WORD LIST PDF

Investment and Stock Market Vocabulary List

Learn essential investment and stock market vocabulary for understanding shares, bonds, trading, financial metrics, market movements, risks, corporate actions, and investing strategies.

CATEGORY

Business and Finance Vocabulary

LEVEL

Intermediate

WORDS

95

Investment and stock market vocabulary is essential for understanding how financial markets work, how wealth is built, and how investment decisions are made in real-world scenarios. From basic terms like stocks, bonds, and dividends to advanced concepts such as derivatives, market capitalization, and portfolio rebalancing, these words are widely used in business, finance, economics, and global markets. This investment and stock market vocabulary list is designed to help learners, students, professionals, and aspiring investors build a strong foundation in financial terminology. Whether you are reading financial news, analyzing companies, preparing for exams, or managing your own investments, understanding these terms will significantly improve your confidence and decision-making ability. The list covers key areas such as market participants, financial instruments, trading strategies, technical and fundamental analysis, risk management, and corporate actions. You will also explore commonly used financial metrics like P/E ratio, ROI, EPS, and yield, which are essential for evaluating investment opportunities in both stock markets and broader financial ecosystems. Use this page to strengthen your financial vocabulary, improve your analytical skills, and communicate more effectively in discussions related to investing, trading, and economic trends. Each word is presented with clear meaning, practical examples, and related concepts to help you learn faster and retain better.



OVERVIEW

Resource Summary

A quick overview of this LVF resource before you move into the lesson or vocabulary pages.

At a glance

- **Resource Type:** Word List PDF
- **Category:** Business and Finance Vocabulary
- **Level:** Intermediate
- **Total Words:** 95
- **Basic Words:** 28
- **Intermediate Words:** 36
- **Advanced Words:** 31
- **Brand:** LearnVocabularyFree.com

How to use this PDF

1. Read the definitions carefully.
2. Review examples and usage notes.
3. Try the practice section independently.
4. Check the answer key for self-review.

STARTER LIST

Words you will meet in this PDF (but not limited to)

- **Alpha** — A measure of an investment's performance relative to the market.
- **Annual Report (10-K)** — A comprehensive report on a company's financial performance filed annually.
- **Arbitrage** — Buying and selling the same asset in different markets to profit from price differences.
- **Ask Price** — The price a seller is willing to accept for an asset.
- **Asset Allocation** — The process of dividing investments among asset categories.
- **Bear Market** — A market condition where prices are falling or expected to fall.
- **Beta** — A measure of a stock's volatility compared to the overall market.
- **Bid** — The price a buyer is willing to pay for an asset.

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

Alpha

NOUN

ADVANCED

MEANING

A measure of an investment's performance relative to the market.

EXAMPLE

Positive alpha indicates outperformance.

SYNONYMS

excess return

Annual Report (10-K)

NOUN

ADVANCED

MEANING

A comprehensive report on a company's financial performance filed annually.

EXAMPLE

Investors review the 10-K before investing.

SYNONYMS

financial report

Arbitrage

NOUN

ADVANCED

MEANING

Buying and selling the same asset in different markets to profit from price differences.

EXAMPLE

Arbitrage opportunities exist in global markets.

SYNONYMS

price exploitation

Ask Price

NOUN

BASIC

MEANING

The price a seller is willing to accept for an asset.

EXAMPLE

The ask price reflects the seller's expectations.

SYNONYMS

offer price

ANTONYMS

bid

Investment and Stock Market Vocabulary List

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Asset Allocation

NOUN

INTERMEDIATE

MEANING

The process of dividing investments among asset categories.

EXAMPLE

Asset allocation depends on your financial goals.

SYNONYMS

investment distribution

Bear Market

NOUN

BASIC

MEANING

A market condition where prices are falling or expected to fall.

EXAMPLE

The economy entered a bear market after the downturn.

SYNONYMS

declining market

downtrend

ANTONYMS

bull market

Beta

NOUN

ADVANCED

MEANING

A measure of a stock's volatility compared to the overall market.

EXAMPLE

High beta stocks are more volatile.

SYNONYMS

risk measure

Bid

NOUN

BASIC

MEANING

The price a buyer is willing to pay for an asset.

EXAMPLE

The bid price was slightly lower than the ask price.

SYNONYMS

offer price

ANTONYMS

ask price

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

Blue-chip Stocks

NOUN

INTERMEDIATE

MEANING

Shares of large, well-established, financially strong companies.

EXAMPLE

Many conservative investors prefer blue-chip stocks.

SYNONYMS

large stable stocks

quality stocks

ANTONYMS

penny stocks

Bond

NOUN

BASIC

MEANING

A debt investment where an investor lends money to an issuer in exchange for interest payments.

EXAMPLE

The government issued a bond to raise money for infrastructure projects.

SYNONYMS

debt security

ANTONYMS

equity

Broker

NOUN

BASIC

MEANING

A person or firm that buys and sells securities for investors.

EXAMPLE

She placed the trade through an online broker.

SYNONYMS

agent

intermediary

Bull Market

NOUN

BASIC

MEANING

A market condition where prices are rising or expected to rise.

EXAMPLE

During a bull market, investors are generally optimistic.

SYNONYMS

rising market

uptrend

ANTONYMS

bear market

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

Buy and Hold

NOUN

BASIC

MEANING

A long-term investment strategy where assets are held for extended periods.

EXAMPLE

Buy and hold investors ignore short-term fluctuations.

SYNONYMS

long-term investing

Buyback

NOUN

ADVANCED

MEANING

When a company repurchases its own shares from the market.

EXAMPLE

The buyback increased earnings per share.

SYNONYMS

share repurchase

CAGR (Compound Annual Growth Rate)

NOUN

ADVANCED

MEANING

The average annual growth rate of an investment over time.

EXAMPLE

The fund achieved a CAGR of 10% over five years.

SYNONYMS

annual growth rate

Capital Gains

NOUN

BASIC

MEANING

Profit earned from selling an asset at a higher price than purchase.

EXAMPLE

He paid tax on his capital gains.

SYNONYMS

investment profit

ANTONYMS

capital loss

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

Capital Losses

NOUN

BASIC

MEANING

Loss incurred from selling an asset below its purchase price.

EXAMPLE

Capital losses can offset gains for tax purposes.

SYNONYMS

investment loss

ANTONYMS

capital gains

Clearinghouse

NOUN

ADVANCED

MEANING

An organization that settles trades and reduces risk between buyers and sellers.

EXAMPLE

The clearinghouse ensured that the trade was completed properly.

SYNONYMS

settlement house

clearing agency

Commodity

NOUN

INTERMEDIATE

MEANING

A raw material or basic good that can be bought and sold, such as oil, gold, or wheat.

EXAMPLE

Gold is often considered a safe-haven commodity.

SYNONYMS

raw material

basic good

Common Stock

NOUN

INTERMEDIATE

MEANING

A type of stock that gives shareholders ownership and usually voting rights.

EXAMPLE

Common stockholders may vote at the annual meeting.

SYNONYMS

ordinary shares

ANTONYMS

preferred stock

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

Correction

NOUN

INTERMEDIATE

MEANING

A short-term decline in stock prices after a period of growth.

EXAMPLE

The market experienced a correction after months of gains.

SYNONYMS

pullback

ANTONYMS

rally

Crash

NOUN

BASIC

MEANING

A sudden and significant drop in market prices.

EXAMPLE

The stock market crash caused widespread panic.

SYNONYMS

collapse

ANTONYMS

rally

Crypto Asset

NOUN

ADVANCED

MEANING

A digital asset that uses cryptographic technology and may represent currency, value, or ownership rights.

EXAMPLE

Some investors treat crypto assets as part of an alternative investment portfolio.

SYNONYMS

digital asset

Cryptocurrency

NOUN

INTERMEDIATE

MEANING

A digital currency secured by cryptography and usually based on blockchain technology.

EXAMPLE

Bitcoin is the most widely known cryptocurrency.

SYNONYMS

digital currency

crypto

ANTONYMS

fiat currency

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

Dealer

NOUN

INTERMEDIATE

MEANING

A person or firm that buys and sells securities for its own account.

EXAMPLE

The dealer quoted prices for several bonds.

SYNONYMS

trader

market participant

Delisting

NOUN

ADVANCED

MEANING

Removal of a company's stock from a stock exchange.

EXAMPLE

The company faced delisting due to non-compliance.

SYNONYMS

removal

ANTONYMS

listing

Derivatives

NOUN

ADVANCED

MEANING

Financial contracts whose value is based on an underlying asset, index, or rate.

EXAMPLE

Options and futures are common types of derivatives.

SYNONYMS

financial contracts

Diversification

NOUN

INTERMEDIATE

MEANING

Spreading investments across different assets to reduce risk.

EXAMPLE

Diversification helps balance losses in a portfolio.

SYNONYMS

risk spreading

ANTONYMS

concentration

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

Dividend

NOUN

BASIC

MEANING

A portion of a company's profits distributed to shareholders.

EXAMPLE

The company declared a dividend this year.

SYNONYMS

profit distribution

Dividend Yield

NOUN

INTERMEDIATE

MEANING

The ratio of a company's annual dividend to its stock price.

EXAMPLE

High dividend yield attracts income investors.

SYNONYMS

income return

Dollar-Cost Averaging (DCA)

NOUN

INTERMEDIATE

MEANING

Investing a fixed amount regularly regardless of market conditions.

EXAMPLE

DCA reduces the impact of market volatility.

SYNONYMS

systematic investing

Earnings Call

NOUN

ADVANCED

MEANING

A conference call where company executives discuss financial results.

EXAMPLE

The CEO spoke about growth during the earnings call.

SYNONYMS

financial briefing

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

EPS (Earnings Per Share)

NOUN

INTERMEDIATE

MEANING

A company's profit divided by its number of outstanding shares.

EXAMPLE

Rising EPS indicates improved profitability.

SYNONYMS

earnings metric

Equity

NOUN

BASIC

MEANING

Ownership interest in a company, usually represented by shares.

EXAMPLE

Investors bought equity in the company to benefit from future growth.

SYNONYMS

ownership

shares

ANTONYMS

debt

ETF (Exchange-Traded Fund)

NOUN

INTERMEDIATE

MEANING

A fund that holds a basket of assets and trades on an exchange like a stock.

EXAMPLE

The ETF tracks the performance of a major stock market index.

SYNONYMS

exchange-traded fund

Exchange

NOUN

BASIC

MEANING

A marketplace where securities such as stocks and bonds are bought and sold.

EXAMPLE

The company's shares are traded on a major exchange.

SYNONYMS

stock exchange

marketplace

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

FINRA

NOUN

ADVANCED

MEANING

A U.S. regulatory organization that oversees brokerage firms and securities professionals.

EXAMPLE

FINRA sets rules for brokers and monitors market conduct.

SYNONYMS

financial industry regulator

Fixed Income

NOUN

INTERMEDIATE

MEANING

Investments that usually provide regular interest payments, such as bonds.

EXAMPLE

Retired investors often include fixed income assets in their portfolios.

SYNONYMS

income securities

debt investments

ANTONYMS

equity

Forwards

NOUN

ADVANCED

MEANING

Private contracts to buy or sell an asset at a set price on a future date.

EXAMPLE

The company used forwards to manage foreign currency risk.

SYNONYMS

forward contracts

Fundamental Analysis

NOUN

INTERMEDIATE

MEANING

Evaluating a company's financial health and performance to determine its value.

EXAMPLE

Investors use fundamental analysis to study earnings and revenue.

SYNONYMS

financial analysis

Investment and Stock Market Vocabulary List

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Futures

NOUN

ADVANCED

MEANING

Contracts that require buyers and sellers to trade an asset at a set price on a future date.

EXAMPLE

Oil futures are often used to hedge against price changes.

SYNONYMS

futures contracts

Growth Stock

NOUN

INTERMEDIATE

MEANING

A stock of a company expected to grow faster than the overall market.

EXAMPLE

Many investors buy growth stocks for long-term capital appreciation.

SYNONYMS

high-growth stock

ANTONYMS

value stock

Hedging

NOUN

ADVANCED

MEANING

A strategy used to reduce or offset investment risk.

EXAMPLE

Options can be used for hedging purposes.

SYNONYMS

risk protection

Index Fund

NOUN

INTERMEDIATE

MEANING

A fund designed to track the performance of a specific market index.

EXAMPLE

An index fund can provide broad market exposure at a low cost.

SYNONYMS

passive fund

ANTONYMS

actively managed fund

Investment and Stock Market Vocabulary List

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Inflation

NOUN BASIC

MEANING

The rate at which prices for goods and services increase over time.

EXAMPLE

Inflation reduces purchasing power.

SYNONYMS

price increase

ANTONYMS

deflation

Insider Trading

NOUN

ADVANCED

MEANING

Trading based on non-public information, often illegal.

EXAMPLE

Insider trading laws protect market fairness.

SYNONYMS

illegal trading

Institutional Investor

NOUN

INTERMEDIATE

MEANING

A large organization that invests money on behalf of clients or members.

EXAMPLE

Institutional investors often influence major market movements.

SYNONYMS

large investor

professional investor

ANTONYMS

retail investor

Interest Rate Risk

NOUN

ADVANCED

MEANING

The risk of investment loss due to changes in interest rates.

EXAMPLE

Bond prices fall when interest rate risk rises.

SYNONYMS

rate risk

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

IPO (Initial Public Offering)

NOUN

INTERMEDIATE

MEANING

The process of a private company offering shares to the public for the first time.

EXAMPLE

The company raised millions through its IPO.

SYNONYMS

public offering

Issuer

NOUN

INTERMEDIATE

MEANING

A company, government, or organization that offers securities for sale.

EXAMPLE

The issuer sold bonds to raise funds for expansion.

SYNONYMS

seller

security provider

ANTONYMS

investor

Liquidity

NOUN

INTERMEDIATE

MEANING

The ease with which an asset can be bought or sold without affecting its price.

EXAMPLE

Stocks usually have higher liquidity than real estate.

SYNONYMS

marketability

ANTONYMS

illiquidity

Long Position

NOUN

BASIC

MEANING

Buying an asset expecting its price to rise.

EXAMPLE

She took a long position in tech stocks.

SYNONYMS

buy position

ANTONYMS

short position

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

Margin Trading

NOUN

ADVANCED

MEANING

Buying securities using borrowed money.

EXAMPLE

Margin trading increases both potential profit and risk.

SYNONYMS

leveraged trading

Market Capitalization

NOUN

INTERMEDIATE

MEANING

The total value of a company's outstanding shares.

EXAMPLE

Large-cap companies are usually more stable.

SYNONYMS

market cap

Market Maker

NOUN

ADVANCED

MEANING

A firm or trader that provides buy and sell prices to help maintain market liquidity.

EXAMPLE

The market maker helped investors trade the stock more easily.

SYNONYMS

liquidity provider

Merger & Acquisition (M&A)

NOUN

ADVANCED

MEANING

The process of combining or purchasing companies.

EXAMPLE

The M&A deal reshaped the industry.

SYNONYMS

corporate takeover

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

Moving Average

NOUN

ADVANCED

MEANING

A statistical calculation used to analyze price trends over a period.

EXAMPLE

The 50-day moving average is widely used in trading.

SYNONYMS

average trend

Mutual Fund

NOUN

BASIC

MEANING

An investment fund that pools money from many investors to buy stocks, bonds, or other assets.

EXAMPLE

She invested in a mutual fund to gain diversified exposure to the market.

SYNONYMS

pooled investment fund

NASDAQ

NOUN

INTERMEDIATE

MEANING

A major U.S. stock exchange known for technology and growth companies.

EXAMPLE

Several large technology companies trade on NASDAQ.

SYNONYMS

technology-heavy exchange

Net Asset Value (NAV)

NOUN

ADVANCED

MEANING

The total value of a fund's assets minus liabilities, divided by shares.

EXAMPLE

The NAV of the mutual fund increased.

SYNONYMS

fund value

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

NYSE

NOUN

INTERMEDIATE

MEANING

The New York Stock Exchange, one of the largest stock exchanges in the world.

EXAMPLE

Many blue-chip companies are listed on the NYSE.

SYNONYMS

New York Stock Exchange

Options (Calls / Puts)

NOUN

ADVANCED

MEANING

Contracts that give the holder the right, but not the obligation, to buy or sell an asset at a set price.

EXAMPLE

A call option gives the right to buy, while a put option gives the right to sell.

SYNONYMS

option contracts

Order

NOUN

BASIC

MEANING

An instruction to buy or sell a security.

EXAMPLE

He placed a limit order to buy shares.

SYNONYMS

trade instruction

P/E Ratio (Price-to-Earnings)

NOUN

INTERMEDIATE

MEANING

A valuation ratio comparing a company's share price to its earnings per share.

EXAMPLE

A high P/E ratio may indicate growth expectations.

SYNONYMS

price earnings ratio

Investment and Stock Market Vocabulary List

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Penny Stocks

NOUN

INTERMEDIATE

MEANING

Low-priced stocks of small companies that are often highly risky and volatile.

EXAMPLE

Penny stocks can move sharply in price within a short time.

SYNONYMS

low-priced stocks

microcap stocks

ANTONYMS

blue-chip stocks

Portfolio

NOUN

BASIC

MEANING

A collection of investments owned by an individual or institution.

EXAMPLE

Diversifying your portfolio reduces risk.

SYNONYMS

investment collection

Preferred Stock

NOUN

INTERMEDIATE

MEANING

A type of stock that usually pays fixed dividends and has priority over common stock in certain payments.

EXAMPLE

Preferred stock often provides more stable dividend income.

SYNONYMS

preference shares

ANTONYMS

common stock

Prospectus

NOUN

ADVANCED

MEANING

A formal document providing details about an investment offering.

EXAMPLE

The IPO prospectus outlined company risks.

SYNONYMS

offering document

Investment and Stock Market Vocabulary List

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Publicly Traded Company

NOUN

BASIC

MEANING

A company whose shares are available for purchase by the public on a stock exchange.

EXAMPLE

A publicly traded company must publish regular financial reports.

SYNONYMS

listed company

public company

ANTONYMS

private company

Rally

NOUN

BASIC

MEANING

A period of rising prices in a market.

EXAMPLE

Tech stocks led the market rally this quarter.

SYNONYMS

price surge

ANTONYMS

crash

Rebalancing

NOUN

INTERMEDIATE

MEANING

Adjusting a portfolio to maintain desired asset allocation.

EXAMPLE

Rebalancing helps manage investment risk.

SYNONYMS

portfolio adjustment

Regulatory Body

NOUN

INTERMEDIATE

MEANING

An organization responsible for creating and enforcing rules in a market or industry.

EXAMPLE

The regulatory body investigated unusual trading activity.

SYNONYMS

regulator

supervisory authority

Investment and Stock Market Vocabulary List

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REIT (Real Estate Investment Trust)

NOUN

ADVANCED

MEANING

A company or trust that owns or finances income-producing real estate and allows investors to earn from property assets.

EXAMPLE

A REIT can provide exposure to real estate without directly buying property.

SYNONYMS

real estate investment trust

Retail Investor

NOUN

BASIC

MEANING

An individual investor who buys and sells securities for personal investment.

EXAMPLE

Retail investors increased their participation in the stock market.

SYNONYMS

individual investor

ANTONYMS

institutional investor

Risk Tolerance

NOUN

BASIC

MEANING

An investor's ability and willingness to take risks.

EXAMPLE

Young investors usually have higher risk tolerance.

SYNONYMS

risk capacity

ROI (Return on Investment)

NOUN

BASIC

MEANING

A measure of the profitability of an investment.

EXAMPLE

He calculated ROI before making a decision.

SYNONYMS

investment return

Investment and Stock Market Vocabulary List

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SEC (Securities and Exchange Commission)

NOUN

ADVANCED

MEANING

The U.S. government agency that regulates securities markets and protects investors.

EXAMPLE

The SEC requires public companies to disclose important financial information.

SYNONYMS

securities regulator

Secondary Market

NOUN

INTERMEDIATE

MEANING

A market where investors buy and sell securities after they are issued.

EXAMPLE

Stock exchanges are part of the secondary market.

SYNONYMS

aftermarket

ANTONYMS

primary market

Sentiment Analysis

NOUN

ADVANCED

MEANING

Evaluating market mood or investor emotions to predict trends.

EXAMPLE

Positive sentiment can drive stock prices higher.

SYNONYMS

market sentiment

Share

NOUN

BASIC

MEANING

One unit of ownership in a company.

EXAMPLE

He bought 100 shares of the company.

SYNONYMS

stock

equity unit

Investment and Stock Market Vocabulary List

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Shareholder

NOUN

BASIC

MEANING

A person or organization that owns shares in a company.

EXAMPLE

Shareholders voted on the company's proposed merger.

SYNONYMS

stockholder

equity holder

Short Selling

NOUN

ADVANCED

MEANING

Selling a borrowed asset with the expectation that its price will fall.

EXAMPLE

He made profits through short selling during the downturn.

SYNONYMS

shorting

ANTONYMS

long position

Speculation

NOUN

INTERMEDIATE

MEANING

High-risk investment aiming for large returns.

EXAMPLE

Crypto markets often attract speculation.

SYNONYMS

high-risk trading

ANTONYMS

investment

Spread

NOUN

INTERMEDIATE

MEANING

The difference between the bid price and ask price.

EXAMPLE

A smaller spread usually indicates higher liquidity.

SYNONYMS

price gap

Investment and Stock Market Vocabulary List

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Stock Split

NOUN

INTERMEDIATE

MEANING

A corporate action that increases the number of shares while reducing their price proportionally.

EXAMPLE

The stock split made shares more affordable.

SYNONYMS

share split

Stockholder

NOUN

BASIC

MEANING

A person or organization that owns stock in a company.

EXAMPLE

The stockholder received dividends after the company made a profit.

SYNONYMS

shareholder

Support and Resistance

NOUN

ADVANCED

MEANING

Price levels where a stock tends to stop falling (support) or rising (resistance).

EXAMPLE

Traders look at support and resistance before making decisions.

SYNONYMS

price levels

Technical Analysis

NOUN

INTERMEDIATE

MEANING

Analyzing price charts and patterns to predict future market movements.

EXAMPLE

Technical analysis relies heavily on historical price data.

SYNONYMS

chart analysis

Investment and Stock Market Vocabulary List

Definitions, examples, and related vocabulary prepared in a structured LVF format.

Transfer Agent

NOUN

ADVANCED

MEANING

An organization that records ownership changes and manages shareholder records.

EXAMPLE

The transfer agent updated the company's shareholder register.

SYNONYMS

share registrar

Underwriter

NOUN

ADVANCED

MEANING

A financial institution that helps issue and sell new securities.

EXAMPLE

The underwriter managed the company's IPO process.

SYNONYMS

issuer arranger

financial sponsor

Valuation

NOUN

INTERMEDIATE

MEANING

The process of determining the value of an asset or company.

EXAMPLE

Valuation helps investors decide whether to buy.

SYNONYMS

pricing

Value Stock

NOUN

INTERMEDIATE

MEANING

A stock that appears to trade for less than its true or fair value.

EXAMPLE

The investor searched for value stocks with strong earnings and low prices.

SYNONYMS

undervalued stock

ANTONYMS

growth stock

Investment and Stock Market Vocabulary List

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Volatility

NOUN

INTERMEDIATE

MEANING

The degree of variation in the price of an asset over time.

EXAMPLE

High volatility often indicates greater risk.

SYNONYMS

price fluctuation

ANTONYMS

stability

Volume

NOUN

BASIC

MEANING

The number of shares or contracts traded during a period.

EXAMPLE

High trading volume indicates strong market activity.

SYNONYMS

trading activity

Yield

NOUN

BASIC

MEANING

The income return on an investment.

EXAMPLE

Bonds typically offer fixed yield.

SYNONYMS

return



PRACTICE

Mini Worksheet

Use the meanings and context from this PDF to answer the following practice questions.

1. Write the meaning of *Alpha* and use it in one sentence.

.....
.....

2. Write the meaning of *Annual Report (10-K)* and use it in one sentence.

.....
.....

3. Write the meaning of *Arbitrage* and use it in one sentence.

.....
.....

4. Write the meaning of *Ask Price* and use it in one sentence.

.....
.....

5. Write the meaning of *Asset Allocation* and use it in one sentence.

.....
.....

6. Write the meaning of *Bear Market* and use it in one sentence.

.....
.....



ANSWER KEY

Suggested Answers

These answer points are designed to support self-review and classroom guidance.

1. Alpha

Meaning:

A measure of an investment's performance relative to the market.

Example:

Positive alpha indicates outperformance.

2. Annual Report (10-K)

Meaning:

A comprehensive report on a company's financial performance filed annually.

Example:

Investors review the 10-K before investing.

3. Arbitrage

Meaning:

Buying and selling the same asset in different markets to profit from price differences.

Example:

Arbitrage opportunities exist in global markets.

4. Ask Price

Meaning:

The price a seller is willing to accept for an asset.

Example:

The ask price reflects the seller's expectations.

5. Asset Allocation

Meaning:

The process of dividing investments among asset categories.

Example:

Asset allocation depends on your financial goals.

6. Bear Market

Meaning:

A market condition where prices are falling or expected to fall.

Example:

The economy entered a bear market after the downturn.