Applications

> *The average trade of an individual is in the thousands of shares, whereas the institutional trade can be in the millions of shares. Clearly, the bigger the order, the bigger the move in the stock.*
>
> —Maria Bartiromo, business news anchor

1. How might a large trade "move the market"? How might those words apply to what you have learned? See margin.

Use the following ticker information to answer Exercises 2–9. The stock symbols represent the following corporations: HD, Home Depot Inc.; S, Sprint Corp; VZ, Verizon Communications Inc.; and XOM, ExxonMobil Corp.

HD 32.3M@126.26▲1.13 S 1.1K@3.33▼0.78 VZ 3.32K@51.02▲2.27 XOM 0.66K@81.75▼1.58

2. Jessica put in an order for some shares of ExxonMobil Corp.
   a. As shown on the ticker, how many shares did Jessica buy? 660
   b. How much did each share cost? $81.75
   c. What was the value of Jessica's trade? $53,955

3. Phil sold his shares of Verizon Communications Inc., as indicated on the above ticker.
   a. How many shares did he sell? 3,320
   b. How much did each share sell for? $51.02
   c. What was the total value of all the shares Phil sold? $169,386.40

4. How many shares of Home Depot are indicated on the ticker? 32,300,000

5. What is the total value of all of the Sprint Corp shares traded? $3,663

6. How can @126.26 be interpreted? Each share traded at $126.26

7. How can XOM .66K be interpreted? 660 shares of Exxon were traded.

8. How can ▼1.58 be interpreted? The trading price was $1.58 less than the previous.

9. What was the previous day's closing price for each stock? HD: $125.13; S: $4; VZ: $48.75; XOM:

Use the following ticker to answer Exercises 10–17. The stock symbols represent the following corporations: PG, Procter & Gamble Co; BAC, Bank of America Corp; DIS, Walt Disney Co; and K, Kellogg Co.

PG 4.5K@81.10▼0.39 BAC 0.65M@12.70▲0.54 DIS 2.55K @95.31▼1.08 K 0.76K@73.45▲

10. Michele is following the trades of Procter & Gamble Co on the business channel. The result of the latest trade is posted on the ticker above.
    a. How many shares of PG were traded? 4,500
    b. How much did each share cost? $81.10
    c. What was the value of the Procter & Gamble Co trade? $364,950
    d. Suppose that the next PG trade represents a sale of 23,600 shares at a price that is $0.18 higher than the last transaction. What will Michele see scrolling across her screen for this transaction? PG 23.6K@81.28▼0.21

11. Sarah sold her Disney shares as indicated on the ticker.
   a. How many shares did she sell? 2,550
   b. How much did each share sell for? $95.31
   c. What was the total value of all the shares Sarah sold? $243,040.50
   d. Suppose that the next DIS trade that comes across the ticker represents a sale of 7,600 shares at a price that is $0.98 higher than the last transaction. What will Sarah see scrolling across her screen for this transaction of DIS? DIS 7.6K@96.29▼0.10

12. How many shares of Kellogg Co are indicated on the ticker? 760

13. What is the total value of all of the Bank of America shares traded? $8,255,000

14. How can @12.70 be interpreted? Each share traded at $12.70.

15. How can K 0.76K be interpreted? 760 shares of Kellog were traded.

16. How can ▲0.04 be interpreted? The trading price is $0.04 higher than the last closing price.

17. What was the previous day's closing price for each stock?
   a. Procter & Gamble Co $81.49
   b. Bank of America Corp $12.16
   c. Walt Disney Co $96.39
   d. Kellogg Co $73.41

18. Write the ticker symbols for each situation.
   a. 36,000 shares of ABC at a price of 37.15, which is $0.72 higher than the previous day's close ABC 36K @ 37.15▲0.72
   b. 1,240 shares of XYZ at a price of $9.17, which is $1.01 lower than the previous day's close XYZ 1.24K@9.17▼1.01

19. Maria is a stock broker and has been following transactions for Ford Motor Co (F). On Tuesday, the last trade of the day for Ford was posted on the ticker as $12.47. On Wednesday, the last trade of the day was $0.56 higher than Tuesday's close for a purchase of 5,600 shares of Ford. Write the stock ticker symbols that would appear on the scroll for the last trade of the day on Wednesday for Ford. F 5.6K @ 13.03▲0.56

20. Dorothy purchased x thousand shares of Best Buy Company Inc. (BBY) at y dollars per share. This purchase price reflected a decrease of z dollars from the previous day's close. Express the ticket symbols algebraically. BBY xK @ y ▼ z

21. Danielle is examining the change in the money flow for Yahoo! Inc. (YHOO) shares on two consecutive dates. The information is given in the table. Do the December 1 numbers reflect a positive or negative money flow? Explain.

Determining the product of the average of the three prices and the volume for each day yields a monetary amount on Dec. 1 that is smaller than that on Nov. 30. There is a negative money flow.

Date	High	Low	Close	Volume
Dec 1	33.89	33.47	33.71	10,862,500
Nov. 30	33.83	32.85	33.81	17,363,600

22. Isaac follows the market action of Google Inc. He has watched the prices for 2 consecutive days. The information he collected is given in the table. Do the September 23 numbers reflect a positive or negative money flow? Explain.

Date	High	Low	Close	Volume
Sept. 23	628.93	620.00	622.36	1,470,900
Sept. 22	627.55	615.43	622.69	2,562,900

Determining the product of the average of the three prices and the volume for each day yields a monetary amount on Sept. 23 that is smaller than the amount on Sept. 22. There is a negative money flow.