

Name: \_\_\_\_\_ Date: \_\_\_\_\_

## Hack Your Future: Managing Your Money (Grade 10)

Move past simple math into complex financial analysis of opportunity costs, tax implications, and the psychological traps of consumer credit.

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**1. If you receive a \$2,000 graduation gift and choose to put it in a Certificate of Deposit (CD) rather than an index fund, what economic concept represents the potential returns you gave up from the index fund?**

- A. Marginal Utility
- B. Opportunity Cost
- C. Capital Gains Tax
- D. Liquidity Risk

**2. A 'bear market' refers to a period where stock prices are rising and consumer confidence is high.**

- A. True
- B. False

**3. In the United States, the \_\_\_\_ is the specialized agency that protects investors and maintains fair, orderly, and efficient markets.**

- A. Federal Reserve (The Fed)
- B. Internal Revenue Service (IRS)
- C. Securities and Exchange Commission (SEC)
- D. Consumer Financial Protection Bureau (CFPB)

**4. Which of these is a 'regressive tax,' meaning it takes a larger percentage of income from low-income earners than from high-income earners?**

- A. Federal Income Tax
- B. Estate Tax
- C. State Sales Tax
- D. Corporate Reform Tax

**5. The time value of money (TVM) suggests that a dollar received today is worth more than a dollar received one year from now.**

- A. True
- B. False

**6. If you are comparing two car loans, one with an APR of 4% and one with an EAR (Effective Annual Rate) of 4.2%, which is the more accurate measure of the total cost of borrowing?**

- A. APR, because it is the nominal rate
- B. EAR, because it accounts for the effects of compounding
- C. Neither, as they are the same value in practice

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D. APR, because it excludes administrative fees

**7. When an investor buys a piece of a company's debt, effectively acting as a lender, they are purchasing a \_\_\_\_.**

- A. Stock Share
- B. Bond
- C. Dividend
- D. Equity Stake

**8. Which factor has the most significant impact on your FICO credit score calculation?**

- A. Current Annual Income
- B. Length of Employment
- C. Payment History
- D. Number of Debit Card Transactions

**9. Diversification is a strategy used to eliminate all possible risk from an investment portfolio.**

- A. True
- B. False

**10. The \_\_\_\_ is the phenomenon where a person feels they have 'ownership' over an item and therefore values it more highly than its market worth.**

- A. Confirmation Bias
- B. Endowment Effect
- C. Sunk Cost Fallacy
- D. Loss Aversion