

UNIVERSITE D'ABOMEY-CALAVI

Faculté des Sciences Economiques et de Gestion

Major: G2

Academic year: 2018-2019

Instructor: Dr. D. LANMANTCHION

Subject: EAP-Management

Duration: 1 hour

PART I

Reading Comprehension

Text: Understanding the stock market

Most stocks are traded on exchanges such as the New York Stock Exchange (NYSE) or the NASDAQ. Stock exchanges essentially provide the marketplace to facilitate the buying and selling of stocks among investors. Stock exchanges are regulated by government agencies, such as the Securities and Exchange Commission (SEC) in the United States, that oversee the market in order to protect investors from financial fraud and to keep the exchange market functioning smoothly.

Although the vast majority of stocks are traded on exchanges, some stocks are traded over the counter (OTC), where buyers and sellers of stocks commonly trade through a dealer, or "market maker", who specifically deals with the stock. OTC stocks are stocks that do not meet the minimum price or other requirements for being listed on exchanges.

OTC stocks are not subject to the same public reporting regulations as stocks listed on exchanges, so it is not as easy for investors to obtain reliable information on the companies issuing such stocks. Stocks in the OTC market are typically much more thinly traded than exchange-traded stocks, which means that investors often must deal with large spreads between bid and ask prices for an OTC stock. In contrast, exchange-traded stocks are much more liquid, with relatively small bid-ask spreads.

<https://corporatefinanceinstitute.com/resources/knowledge/trading-investing/stock-market/>

Choose the correct answers from A, B, C or D. Write numbers and letters only. (5pts)

1. Some exchanges mentioned in the text provide a space for

- A. A small number of stocks to be traded
- B. All stocks to be traded
- C. A great deal of stocks to be traded
- D. Thousands of stocks to be traded

2. There are no stocks that do not involve

- A. Investors
- B. Security investigators.
- C. Buyers
- D. Sellers

3. A dealer is someone who

- A. Smuggles stocks
- B. Sells stocks on the black market.
- C. Deals in stocks
- D. Eases the trade of stocks

4. Compared to stocks listed on exchanges, OTC stocks are of
- A. Unquestionable quality
 - B. High quality
 - C. High price quality
 - D. Less quality
5. The price at which a dealer is prepared to buy stocks is known as
- A. Ask price
 - B. Buy price
 - C. Expensive price
 - D. Bid price

PART II

Match the following words or phrases with their right paragraphs:

1.ATM- 2.management functions-3.self-introductions-4.business organization- 5.commission. Write numbers and letters only. (5pts)

A. Business comes in various forms. While some people prefer to have what is called a one-person business, others will just decide to partner in order to have a lot of skills, which is to the advantage of the business. Another type consists of having a business that has a legal existence; it is known to government authorities.

B. When businesspeople meet for business, the first thing they do is to get themselves known to their counterparts through what can be called give necessary information to your business partners to know you better. This formal practice of getting to know each other is very important.

C. They make their huge amount of money through the buying and selling of securities. For people who are not in the industry, they may call the money brokers make profit, but professionals themselves have their own term.

D. In Benin as well as in other countries, banks do not open on Sundays. And withdrawing money was a big challenge. But today technology has helped solve the problem. People can access cash 24/7 thanks to an electronic system.

E. Some people may think that you need no skills to run professionally a business venture. This assumption is not always relevant. And it is proven that there is always a difference between someone who has studied how to run a business than someone else who has not. For instance, planning a business activity is different from directing employees.

PART III

Write these figures in letters. (5pts)

A.5.08; B.9¹⁰; C. 9,001,003,000; D.3/7; E.6.005%

PART IV

Writing(5pts)

L'ECHQUIER, a Beninese local newspaper has advertised a position of assistant manager in its latest issue of March 2019. And since you meet the job's requirements, you have made up your mind to apply for the job, writing a cover letter.

Note: Write ONLY:

1. The heading of the cover letter.
2. The subscription of the letter.