Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Block: \_\_\_\_\_\_\_

**Roaring 20’s and Stock Market Notes**

Why was the U.S. economy doing so well during the 20s?

*Europe’s economy was still recovering from WWI (business and manpower-wise)*

*-they buy products from the U.S.*

*-U.S. companies making all sorts of money*

What new inventions came about in the 1920s?

1. *Radio-allows mass communication without newspapers (and good for advertising)*
2. *Telephones-allowed instant communication (invented by Alexander Graham Bell)*
3. *Cars-Ford’s Model T and assembly line system makes them affordable for the everyday family*

\_\_\_\_\_*Credit*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_-when people buy something over a period of time

**Stock Market**

People buy parts of a company, called \_\_\_*stocks*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ or \_\_\_\_\_\_\_*shares*\_\_\_\_\_\_\_\_\_\_.

These \_\_\_\_\_*stocks*\_\_\_\_\_\_\_\_\_\_\_\_\_\_ change in value depending on how well the company is (or is perceived to be) doing.

Some types of stocks also give \_\_\_\_*dividends*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, or small payments for each stock.

People can buy or sell their shares \_\_\_\_*whenever they want*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

During the 1920s, buying stocks was very popular, and many people and companies bought them on \_\_\_\_\_*credit*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Why do you think people bought stocks on credit?

*The stock market was just going up, so it’d be silly not to buy as many stocks as you could when they were cheaper.*