Teacher Answer Key

Case Study

1. Short interest forced covering at rising prices, creating a feedback loop of buying.

2. Free trading platforms and viral posts lowered entry barriers and amplified collective action.

Multiple Choice

1. B

2. A

3. A

Matching

1-D, 2-E, 3-B, 4-A, 5-C

Fill-in-the-Blank

1) supply, 2) interest rates (or: yields), 3) stocks

Short Answer (Sample Responses)

Q1: Bonds offer predictable income and priority in repayment over stocks.

Q2: As short sellers buy to cover losses, demand spikes, driving prices up rapidly.

Q3: ETFs provide low-cost diversification and ease of trading without selecting individual securities.