Name(s): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **The ABC’s of Bonds** Date: \_\_\_\_

**Directions:** Read the article, The ABC’s of Bonds, and answer the following questions.

1. Who issues bonds and why?
2. What is the maturity date?
3. U.S. Government Bonds
   1. What is a U.S. Government treasury bond?
   2. Why does the U.S. Government issue treasury bonds?
   3. Why are they popular during times of financial crisis?
   4. What is a savings bond?
4. Corporate Bonds
   1. What are corporate bonds?
   2. Why are they issued?
   3. Why are corporate bonds riskier than other bonds?
   4. Despite the risk, what is a reason to buy corporate bonds?
5. What is the difference between an coupon bond and a zero coupon bond?
6. Why buy bonds? Give four reasons.
7. What are capital gains?