

Enrichment 6-5

Percent of Change

Critical Thinking

Francisca started a stock portfolio. She bought 20 shares of Stock 1 for \$62.50 and 20 shares of Stock 2 for \$75.00. In the first week after she bought the stock, she recorded these daily closing prices.

Day	Stock Price	Mon.	Tue.	Wed.	Thurs.	Fri.
Stock 1	\$3.125	3.5	3.125	3.875	2.75	3.875
Stock 2	\$3.75	3.125	2.75	3.25	3.125	2.625

- Find the cost Francisca paid for one share of each stock. Record the price in the table.
- What was the percent change in the price of Stock 1 from date of purchase to the Friday's closing price? Was it an increase or a decrease?
↑ 24%
- What was the percent change in the price of Stock 2 from date of purchase to the Friday's closing price? Was it an increase or a decrease?
↓ 30%
- Which stock had the greatest one day change? Was it an increase or a decrease?
Friday Stock 1 ↑ 41% from Thurs to Fri
- Francisca would like to see the price of Stock 1 increase at least 12% in one year. What will the price of one share be if it has that percent increase?
\$3.5
- Francisca would like to see the price of Stock 2 increase at least 16% in one year. What will the price of one share be if it has that percent increase?
\$4.35
- If both of Francisca's stocks achieve the minimum price increase, what will be the average percent increase in her portfolio. Show how you determined your answer.
≈ 14.2% 62.5 + 75 = 137.5
 $[(62.5 \cdot 1.12 + 75 \cdot 1.16) - 137.5] \div 137.5 \approx 14.2\%$
- Select a stock. Record the stock price from the daily newspaper. Determine the daily and weekly percent change. Remember that one week may not adequately reflect the true value of the stock.