

Student \_\_\_\_\_

Date \_\_\_\_\_

Class \_\_\_\_\_

Instructor \_\_\_\_\_

# SECTION 12-5 Selling Stocks

When you sell your stocks, the sale can result in either a profit or a loss. If the amount you receive for the sale minus the sales commission is greater than the total amount you paid for the stocks, you have made a profit. If the amount you receive minus the sales commission is less than the total paid, your sale has resulted in a loss.

$$\text{Net Sale} = \text{Amount of Sale} - \text{Commission}$$

$$\text{Profit} = \text{Net Sale} - \text{Total Paid}$$

$$\text{Loss} = \text{Total Paid} - \text{Net Sale}$$

Round each answer to the nearest cent.

1. Kado Kato owned 400 shares of stock in a car company, for which he paid a total of \$11,580. He sold the stock for \$29.50 per share and paid a commission of 1 percent of the selling price.

a. What was the amount of the sale? \_\_\_\_\_

b. What was the net sale? \_\_\_\_\_

c. What was the profit or loss? \_\_\_\_\_

2. Marty and Irene Benefield purchased 400 shares of airline stock 2 years ago. They paid a total of \$8,484.55 for the stock. Last week they sold the stock for \$19.50 per share and paid an online commission of \$19.95.

a. What was the amount of the sale? \_\_\_\_\_

b. What was the net sale? \_\_\_\_\_

c. What was the profit or loss? \_\_\_\_\_

3. Jose Rodriguez recently sold 1,320 shares of oil stock for \$31.70 per share plus a commission of \$29.95 plus 3¢ per share. He paid a total of \$56,166.00 for the stock.

a. What was the amount of the sale? \_\_\_\_\_

b. What was the selling commission? \_\_\_\_\_

c. What was the net sale? \_\_\_\_\_

d. What was the profit or loss? \_\_\_\_\_

4. Emma Kishketon recently sold 300 shares of stock in a fast food company for \$46.54 per share plus a commission of \$49.95 plus 2¢ per share. She purchased the stock for \$39.22 plus a 1 percent commission.

a. What was the cost of the stock? \_\_\_\_\_

b. What was the total paid? \_\_\_\_\_

c. What was the amount of the sale? \_\_\_\_\_

d. What was the net sale? \_\_\_\_\_

e. What was the profit or loss? \_\_\_\_\_