**j0152258**Bear Market

* A **bear market** is a prolonged period of falling stock prices and a general feeling of investor pessimism.
* A bear market develops when investors become negative about the overall economy and start to sell stock.
  + Fewer jobs available and unemployment rates are up
  + Recession may be looming
  + Gross domestic product is down



Bull Market

* A **bull market** is a prolonged period of rising stock prices and a general feeling of investor optimism.
  + “Charge ahead!”
  + Unemployment rates are down
  + The economy is healthy
  + Gross domestic product is up

Blue Chip Stocks

* **Blue chip** stock are stocks of large, well established corporations with a solid record of profitability.
  + EX. Coke, Apple, IBM. Conservative, low risk.

Penny Stock

* **Penny stock** are stocks of young, usually small companies.
  + These tend to be higher risk stocks since they have no record or history.