Name ***Date***

Dividend-Paying Stocks

1. Metro Corp is currently selling at $32.50 per share with a 90 cent dividend. If you purchase 100 shares at the current price, what yield will you expect as a return on your investment?

2. Metro Corp is currently selling at $32.50 per share with a 90 cent dividend. You invest $1,625 with no brokerage commissions and hold the stock for one year. How much income will you receive?

3. After the year is up, Metro Corp is selling for $28 per share. You purchase the same number of shares again at the new price. What is the blended (average) yield you are earning?

4. Metro Corp is doing well and announces an increase in their dividend to $1.02 per share. The stock price shoots up to $34.25. What is your new annual yield?

5. How long would you need to hold a $14.00 stock paying a 56 cent annual dividend to achieve a 10% return?

The following table shows the life cycle of a single stock investment.

Date of transaction	Transaction executed	Dividend on this date
1/1/2011	Purchase 50 shares at $17.50/share	30 cents
7/8/2011	Purchase 75 shares at $15.00/share	30 cents
4/1/2012	Purchase 75 shares at $22.50/share	35 cents
6/29/2012	Sell entire holding at $24.10/share	

6. What dividend dollar amount was earned in 2011?

7. What dividend yield was earned in 2011?

8. What dividend dollar amount was earned over the life of the investment?

9. What was the dividend yield of this stock on April 1, 2012?

10. What was this investment's total return?