Share purchases/sales, brokerage and dividends

6 questions | 12 marks

Equivalent correct methods earn the corresponding marks.

1. Buy 80 shares at AUD 15.50 with AUD 18 brokerage. Find the cost. [2 marks]

$80 \times 15.50 + 18 = 1258.$

Answer: AUD 1,258.00

2. Sell 150 shares at AUD 7.20 with AUD 22 brokerage. Find net proceeds. [2 marks]

$150 \times 7.20 - 22 = 1058.$

Answer: AUD 1,058.00

3. Receive AUD 0.36 dividend on each of 250 shares. Find total income. [2 marks]

$250 \times 0.36 = 90.$

Answer: AUD 90.00

4. Purchase cost was AUD 2040. Net sale proceeds are AUD 2160 and dividends AUD 65. Find profit. [2 marks]

$2160 + 65 - 2040 = 185.$

Answer: AUD 185.00

5. At AUD 18 per share, annual dividend is AUD 0.72. Find dividend yield. [2 marks]

$\frac{0.72}{18} \times 100 = 4\%.$

Answer: 4%

6. Buy 100 shares at AUD 10 with AUD 15 brokerage each way. With no dividend, what sale price per share breaks even? [2 marks]

$\text{Cost} = 1015.$

$100s - 15 = 1015, \text{so } 100s = 1030.$

Answer: AUD 10.30 per share