Answer Key

Chapter 11

Section 4

Reteaching Activity

A. Analyzing Economic Data

1. BBB-rated bonds
2. about .5 percent
3. 25 percent
4. BBB-rated bonds, because they have a lesser rating than the AAA bonds
5. They would be more likely to buy AAA, because they may be purchased to mature in 25 years. The longest maturity for BBB-rated bonds is 20 years.
6. Both curves increase. The curve for AAA-rated bonds is flatter, extends over an additional 5 years, and shows a lower yield.

Copyright by McDougal Littell, a division of Houghton Mifflin Company