

# Types of Currency Worksheet YFF Week 20

## MULTIPLE CHOICE WORKSHEET

- 1 What is the purpose of paper money and coins?**
  - a. To be used as decorative items
  - b. To act as a medium of exchange for trade
  - c. To be used as gifts for special occasions
  
- 2 What is the first recorded use of paper money and where did it originate?**
  - a) choice 1
  - b) choice 2
  - c) choice 3
  
- 3 What is an example of fiat money?**
  - a. Gold bars
  - b. Real estate
  - c. U.S. dollar
  
- 4 What happens when there is too much paper money in circulation?**
  - a. Deflation
  - b. Stable economy
  - c. Inflation
  
- 5 Who regulates the printing of paper money?**
  - a. The IRS
  - b. Bank of America
  - c. The Central Bank/Federal Reserve



**6 What are bonds?**

- a. Units of corporate debt issued by companies as assets and are paid at a fixed rate
- b. Units of personal debt issued by individuals as assets and are paid at a variable rate
- c. Units of government debt issued by the United States government as assets and are paid at a fixed rate

**7 When does the principal amount of a bond need to be paid back in full?**

- a) choice 1
- b) choice 2
- c) choice 3

**8 What are treasury notes?**

- a. Units of corporate debt issued by companies as assets and are paid at a fixed rate
- b. Units of personal debt issued by individuals as assets and are paid at a variable rate
- c. Units of government debt issued by the United States government as assets and are paid at a fixed rate

**9 Who issues treasury notes?**

- a. Companies
- b. The United States government
- c. The Federal Reserve

**10 What is the maximum maturity rate for treasury notes?**

- a. 5 years
- b. 10 years
- c. 15 years

**11 How many currencies does the speaker use for everyday use?**

- a. One
- b. Two
- c. Three



# Types of Currency Answer Key

Answer key for worksheet above

1. B

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2. B

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3. C

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4. C

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5. C

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6. A

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7. A

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8. C

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9. B

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10. B

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11. A

