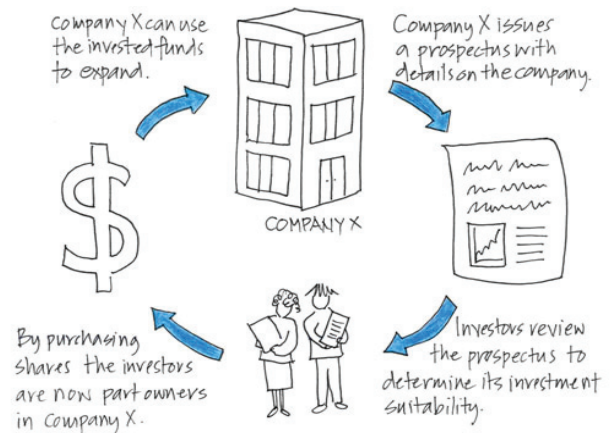


# Stock Market Factsheet

## What is a share?

A share is simply part ownership of a business. A company can raise money to finance its business by 'going public'. Going public means being listed on a stock exchange and issuing shares to investors. By paying for the shares, each investor buys part ownership of the company's business and becomes a shareholder in the company.



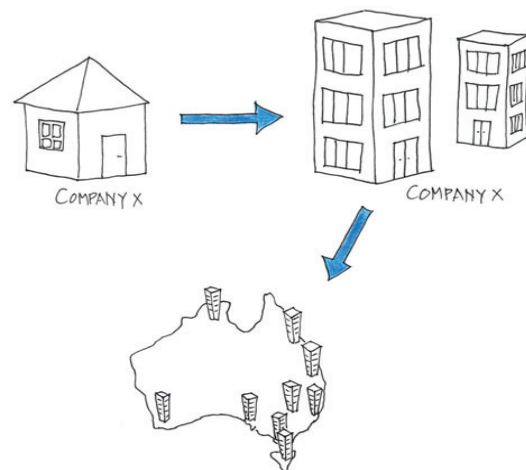
## What is the sharemarket?

A place where the buying and selling of shares takes place. Companies wanting to list shares on the market need to get sharemarket approval first.

They also need to make public all information that is likely to affect their share price. All buying and selling of shares is done through a stockbroker. A buyer will instruct their broker about how many shares they wish to purchase and how much they want to pay.

## How to buy and sell shares?

The company issues a prospectus which is an outline of the nature of the company and its financial details. Potential investors then review the prospectus to determine if it is a suitable investment, If it is appropriate then investors purchase shares in the company. The company can then use that money for the continued growth of the business.



## What is a dividend?

A dividend is payment from the company to the shareholder. When companies make a profit, they may decide to distribute a proportion of that profit to their shareholders to reward them for their investment.

**Source:** <http://www.asx.com.au/education/shares-courses.htm>