1) What is the advantage of investing in Mutual Fund over direct investment in equity Market?

   a) Customized Portfolio.
   b) Low expense.
   c) Control over cost.
   d) Control on Portfolio turnover.

2) NAV Means

   a) Face Value/ par value of Units / No. of Units.
   b) (Market Value of Assets – Liabilities)/ units outstanding.
   c) Current Market Value of Assets / No. of Units.
   d) (Market Value of Assets – Liabilities)/ Initial number of units.

3) A depositor who parks his surplus in a Bank is

   a) A Borrower of the bank.
   b) A Lender to the bank.
   c) Unit holder of the bank.
   d) Share holder of the bank.

4) Correct definition of Mutual Fund is

   a) It is a company.
   b) It is a financial intermediary engaged in Investment activity.
   c) It is Investment vehicle.
   d) All of the Above.

5) For Mutual Fund Industry in Feb'2003, important development happened is

   a) UTI Act repealed.
   b) UTI MF established.
   c) Creation of Level playing field in Mutual Fund industry.
   d) All of the Above.
6) **Deep discount bonds are well explained as**

   a) Having fixed minimum tenure of 3 year.
   b) Have fixed yearly return in the form of coupon.
   c) Semi Annual coupon bearing Bond.
   d) Maturity amount reflect its face value & no coupon in between.

7) **A bond having coupon rate 8 %, when current coupons for bonds of similar maturities and credit quality are 10% will sell**

   a) Sale price has no relation between two different bonds.
   b) Above face value
   c) At face value
   d) Below face value

8) **Fixed Maturity Plan of Mutual Fund have characteristic as**

   a) These are not exposed to interest rate risk.
   b) These are exposed to default risk.
   c) It Invest in debt securities matching Tenure of Portfolio.
   d) All of above.

9) **The financial planning suggests**

   a) One should revisit his portfolio after Change in financial goals
   b) One should revisit his portfolio after achievement of Target.
   c) One should revisit his portfolio after change in risk appetite.
   d) All of the above.

10) **A Fund whose beta is more than 1 means**

    a) More volatile than market
    b) Less volatile than market
    c) Volatile as the market
    d) None of the above
11) Sharp ratio & Treynor ratio is calculation of

   a) Return without risk.
   b) Risk adjusted return.
   c) Risk without return.
   d) None of the above.

12) Yield curve is a Pictorial graph that represents

   a) Yields of various equities in same time frame.
   b) Yield from similar type of debt mutual funds scheme.
   c) Yields of Government bonds of various maturities.
   d) Yield of bond with less than 10 years of maturity.

13) Yield spread is Difference in yield between

   a) Bonds of different risk grade for same maturity.
   b) Bonds of same risk grade for different maturity.
   c) Bonds of difference risk grade and different maturity.
   d) Bonds of same risk grade and same maturity.

14) Risk free return is concept associated with G sec in relation to

   a) Credit risk.
   b) Duration Risk.
   c) Interest Rate risk.
   d) Reinvestment risk.

15) Inflation is macroeconomic imbalance which can be due to

   a) Rise in Money velocity.
   b) Rise in Money Supply.
   c) Rise in external Money.
   d) All of the above.
   e) None of the above.