1. Which of the following is/are reviewed in a prudent mutual fund analysis?
   a) Expense Ratio
   b) Performance with Benchmark
   c) Turnover Ratio
   d) All of the Above.

2. What type of mutual fund is considered "passive?"
   a) Balanced Funds
   b) Target-Date Funds
   c) Index Funds
   d) Funds of Funds

3. What denotes basis point? Which is used as a measure of change in yield for a Bond?
   a) .1%
   b) .01%
   c) .001%
   d) 1%

4. What is Call Option?
   a) An obligation to purchase a security.
   b) An obligation to sell a security
   c) An option to purchase a security
   d) An option to sell a security.

5. A line which describe the optimal relationship between risk and reward for an Investment Portfolio?
   a) Capital market Line
   b) Security market Line
   c) Both
   d) None of the above
6. A risk that counterparty may fail to perform on its financial obligation is called
   a) Credit Risk
   b) Interest rate Risk
   c) Inflation Risk
   d) Reinvestment Risk

7. Duration of Debt Portfolio is measurement of
   A) Credit Risk
   B) Default Risk
   C) Interest Rate Risk
   D) Total risk

8. A operator in Capital market, who takes offsetting Risk is called
   a) Speculator
   b) Hedger
   c) Arbitrageur
   d) Market operator

9. The minimum required rate of return in accounting is called
   a) Internatal rate of return
   b) Hurdle rate
   c) Discount rate
   d) None of the above

10. Quanto is a type of
    a) Derivative Instrument
    b) Accounting Function
    c) Logical Operator
    d) None of the above

11. Term Structure of Interest Rate can be defined through
    a) Capital market line
    b) Yield Curve
    c) Yield Spread
    d) None of the Above
12. Which among the following is false?
   a) QE is process of introducing cheap money by FED.
   b) QE is alternate method of printing Money.
   c) QE is warranted when Interest rate of the system is already at or near to zero, Yet unable to stimulate the monetary effect.
   d) QE is a dis-inflationary monetary tool.

13. What is investment grade Bond
   a) Bond having minimum AAA rating.
   b) Bond having minimum Baa rating
   c) Bond as and announced by FIMMDA.
   d) No such criterion and it depend upon individual investor.

14. Indenture is a legal agreement between the firm issuing Bond and the bond holders providing the specific term of the loan agreement.
   a) True
   b) False

15. Greeks represents a set of factor sensitivities frequently used for measuring the exposure of Derivative Portfolio.
   a) True
   b) False