

CFA 模考卷 (4-1)

1. Ashley Brown, CFA, applies for a new job. In her application letter, she states, "As a CFA charterholder, I provide the best value in trade execution." Further, she states, "I passed all three CFA Program examinations in three consecutive years." Has Brown violated the Standards?
 - A. No
 - B. Yes, by stating, "As a CFA charterholder, I provide the best value in trade execution"
 - C. Yes, by stating, "As a CFA charterholder, I provide the best value in trade execution" and by stating, " I passed all three CFA Program examinations in three consecutive years"

2. Michael Cane, CFA, is an investment manager. Cane's proxy voting policy includes a provision that voting proxies may not be required in all instances if they do not benefit clients. The proxy voting policy is disclosed to his clients only upon request. Has Cane most likely violated the Standard relating to loyalty, prudence and care?
 - A. Yes, only because the voting of proxies is required in all instances
 - B. Yes, only because the proxy voting policy is disclosed to his clients only upon request
 - C. Yes, both because the voting of proxies is required in all instances and because the proxy voting policy is disclosed to his clients only upon request

3. Which of the following is a recommended procedure for compliance with the standard relating to responsibilities of supervisors? Once a violation in the form of wrongdoing from an employee is discovered, a supervisor should do which of the following?
 - A. Avoid increasing supervision of the wrongdoer until the investigation is concluded
 - B. Place appropriate limitations on the wrongdoer pending the outcome of the investigation
 - C. Rely on an employee's statement about the extent of a violation of the law if the employee gives written assurance that the wrongdoing will not reoccur

4. Which of the following is a requirement for compliance with the GIPS standards?
 - A. The GIPS standards must be applied on a firm-wide basis
 - B. A firm must represent partial compliance by stating it is "in compliance with the GIPS standards except for..."
 - C. A firm must refer to its performance calculation methodology as being "in compliance" with the GIPS standards

5. Jessica Jayson, CFA, lives in a country without requirements to keep client information confidential. Her firm requires only keeping information regarding current clients confidential. Jayson discusses charity donations with one of her friends and shares an email address of a former client who was involved in charity work. Has Jayson most likely violated the Standards?
- A. No
 - B. Yes, the Standard relating to fair dealing
 - C. Yes, the Standard relating to knowledge of the law
6. Mary Lawrence, CFA, is a research analyst. She archives her research notes for recommendation changes and discards her research notes for cases in which recommendations do not change. She also discards third-party research reports used to support her analysis. Lawrence has most likely violated the Standards:
- A. only by discarding third-party research reports used to support her analysis.
 - B. only by discarding her research notes for cases in which recommendations do not change.
 - C. both by discarding third-party research reports used to support her analysis and by discarding her research notes for cases in which recommendations do not change.
7. Robert Dowling, CFA, is part of a research team. Dowling's team has recommended a "buy" rating on a company, but Dowling does not agree with the recommendation. To comply with the Standard relating to diligence and reasonable basis, Dowling:
- A. must decline to be identified with the report.
 - B. must ensure that the report reflects his opinion.
 - C. may continue to be identified with the report as long as the recommendation has a reasonable basis.
8. According to the Standard relating to preservation of confidentiality, if local laws require investment personnel to maintain confidentiality, is a member permitted to share confidential client information?
- A. No
 - B. Yes, if the information concerns activities of a former client
 - C. Yes, if the information is provided in support of an investigation by the CFA Institute Professional Conduct Program into the member's conduct

9. Monique Gretta, CFA, is a research analyst at East West Investment Bank. Previously, Gretta worked at a mutual fund management company and has a long-standing client relationship with the managers of the funds and their institutional investors. Gretta often provides fund managers, who work for Gretta's former employer, with draft copies of her research before disseminating the information to all of the bank's clients. This practice has helped Gretta avoid several errors in her reports, and she believes it is beneficial to the bank's clients, even though they are not aware of this practice. Regarding her research, Gretta least likely violated the Standards because:
- A. her report is a draft.
 - B. this practice benefits all clients.
 - C. the long-standing client relationships are not disclosed.

10. Which of the following actions violate the Standard relating to market manipulation?

Action 1	Entering large buy and sell trades between multiple proprietary accounts of the firm with the intent to increase trading volume.
Action 2	Securing a dominant position in a financial instrument with an intent to influence the price of a related derivative.
Action 3	Exploiting perceived market inefficiencies through aggressive trading strategies.

- A. Action 1 and Action 2 only
 - B. Action 1 and Action 3 only
 - C. Action 2 and Action 3 only
11. Alice Chan, CFA, a portfolio manager, does comprehensive research and concludes that First Automobile Company's (FAC) stock is suitable for all of her firm's clients. To avoid potential conflict, Chan buys FAC's stock for other clients first and then for her sister's fee-paying account in which she has no beneficial interest. She makes no disclosure to clients about her sister's account. The price of FAC's stock declines significantly after three months, causing substantial losses to all her clients. Chan has violated the Standard relating to:
- A. disclosure of conflicts.
 - B. priority of transactions.
 - C. diligence and reasonable basis.

12. Regarding ethical standards in the investment industry, which of the following is most accurate? CFA Institute:
- A. requires charterholders to engage in their professional communities.
 - B. aims to build market integrity by calling for regulations that align the interests of firms and clients.
 - C. promotes the highest standards of ethics, education, and professional excellence for the ultimate benefit of shareholders.

13. Which of the following statements relating to the GIPS standards is accurate?

Statement 1	Verification improves the consistency of a firm's GIPS-compliant presentations.
Statement 2	Verification provides assurance to clients that specific composite presentations made by a firm are accurate.

- A. Statement 1 only
 - B. Statement 2 only
 - C. Both Statement 1 and Statement 2
14. Merchant Capital Partners, a regional investment bank, acts as a market maker for Vital Link Health Services and other small firms listed on an over-the-counter exchange. For those shares for whom Merchant acts as market maker, it trades for its own book as well as engaging in risk arbitrage trading. Merchant allows staff members to trade in shares once clients and the company have traded. Merchant recently obtained material nonpublic information regarding Vital's planned reverse takeover of a publicly listed competitor. In order to be in compliance with the CFA Institute Code and Standards, which type of trading in Vital shares should Merchant least likely suspend?
- A. Personal
 - B. Risk arbitrage
 - C. Passive proprietary

15. Sisse Brimberg, CFA, is responsible for performance presentations at her investment firm. The presentation that Sisse uses states that when making performance presentations her firm:
- deducts all fees and taxes;
 - uses actual and simulated performance results; and
 - bases the performance on a representative individual account.
- Based only on the this information, which of the following is the most appropriate recommendation to help Brimberg meet the CFA Institute Standards of Professional Conduct in her performance presentations? She should present performance based on:
- A. a gross of fee basis.
 - B. actual not simulated results.
 - C. a weighted composite for all similar discretionary portfolios.
16. According to the Standard relating to suitability, which of the following is correct?
- A. An appropriate suitability determination will prevent some investments from losing value
 - B. Members must judge the suitability of investments in the context of the client's total portfolio
 - C. The higher the expected investment return, the lower the need to determine the investment's suitability
17. According to the Standards, members who plan to engage in independent practice for compensation must notify their employers and describe which of the following items regarding the services they will render to prospective independent clients?
- | | |
|--------|---------------------------------------|
| Item 1 | The types of services |
| Item 2 | The expected duration of the services |
| Item 3 | The compensation for the services |
- A. Only Item 1
 - B. Only Item 1 and Item 2
 - C. Item 1, Item 2, and Item 3

18. David Jacobs, CFA, and Megan Amari, CFA, work for Global Investment Inc. and receive fees for client referrals. Prior to signing service agreements with clients, Jacobs informs his clients about the referral fee arrangement without providing an estimated dollar value. Amari discloses all details of the arrangement, including the estimated dollar value, to her clients only after the service agreements are signed. Who has violated the Standards?
- A. Amari only
 - B. Jacobs only
 - C. Both Amari and Jacobs
19. Jennifer Ducumon, CFA, is a portfolio manager for high-net-worth individuals at Northeast Investment Bank. Northeast holds a large number of shares in Babyskin Care Inc., a manufacturer of baby care products. Northeast obtained the Babyskin shares when they underwrote the company's recent IPO. Ducumon has been asked by the investment banking department to recommend Babyskin to her clients, who currently do not hold any shares in their portfolios. Although Ducumon has a favorable opinion of Babyskin, she does not consider the shares a buy at the IPO price nor at current price levels. According to the CFA Institute Code of Ethics and Standards of Professional Conduct the most appropriate action for Ducumon is to:
- A. ignore the request.
 - B. recommend the shares after additional analysis.
 - C. follow the request as soon as the share price declines.
20. Yao Tsang, CFA, has a large percentage of his net worth invested in the Australian mining company Outback Mines, which he has held for many years. Tsang is in the process of moving to a new employer where he is responsible for initiating research on mining companies. Shortly after his move, Tsang is asked to complete a research report on Outback. In order to meet the CFA Institute Standards of Professional Conduct concerning his stock holding, which of the following actions is most appropriate for Tsang to take?
- A. Disclose his stock holding to his employer and to clients
 - B. Sell his stock holdings to eliminate any potential conflict of interest
 - C. Refuse to write the report and ask his employer to assign another analyst to complete the analysis

21. According to the Standard relating to misrepresentation, a member is most likely required to:
- A. disclose his intended use of an external manager.
 - B. always provide a benchmark for investment strategies.
 - C. provide attribution to a member who is no longer with the firm when issuing a report.
22. Manpreet Grewal, CFA, is a wealth manager and also teaches underprivileged children at a school on holiday weekends. The school pays Grewal a nominal fee for his services. Grewal does not disclose this arrangement to his employer. Has Grewal violated the Standards?
- A. No
 - B. Yes, the Standard relating to disclosure of conflicts
 - C. Yes, the Standard relating to additional compensation arrangements
23. Which of the following can claim compliance with the GIPS standards?
- A. Only asset owners
 - B. Only asset owners and consultants who advise investment funds
 - C. Asset owners, consultants who advise investment funds, and software vendors
24. Which of the following is a key concept relating to the GIPS standards? The GIPS standards:
- A. address every aspect of performance measurement.
 - B. require firms to adhere to certain calculation methodologies to allow for comparability across firms.
 - C. require the inclusion of all discretionary and non-discretionary segregated accounts in at least one composite.
25. Which of the following is among the recommended procedures for compliance with the Standard relating to misconduct?

Procedure 1	Disseminate to all employees a list of past violations together with disciplinary actions.
Procedure 2	Check references of potential employees to ensure that they are of good character.

- A. Procedure 1 only
- B. Procedure 2 only
- C. Both Procedure 1 and Procedure 2

26. Millicent Plain has just finished taking Level II of the CFA examination. Upon leaving the examination site, she meets with four Level III candidates who also just sat for their exams. Curious about their examination experience, Plain asks the candidates how difficult the Level III exam was and how they did on it. The candidates say the essay portion of the examination was much harder than they had expected and they were not able to complete all questions as a result. The candidates go on to tell Plain about broad topic areas that were tested and complain about specific formulas they had memorized that did not appear on the exam. The Level III candidates least likely violated the CFA Institute Standards of Professional Conduct by discussing:
- A. specific formulas.
 - B. broad topic areas.
 - C. the examination essays.
27. Mike Leung, CFA, is a research analyst at an investment firm. Leung does comprehensive analysis and identifies several stocks that are undervalued. Leung posts a recommended stock list on social media which is accessible to all clients, stating that additional information will be available upon request. Has Leung violated the Standards?
- A. No
 - B. Yes, by posting only a recommended stock list
 - C. Yes, by using social media to communicate his recommendations to clients
28. Private contracts, such as bank loan agreements, are most likely to provide an effective disciplinary mechanism to ensure high financial reporting quality because:
- A. lenders monitor managers and pay close attention to the firm's financial reports.
 - B. loan covenants require the firm to meet specific financial ratios in order to renew the loan.
 - C. loan covenants may allow the lender to recover all or part of their investment if certain financial conditions are triggered.
29. A corporate takeover mechanism by which shareholders are persuaded to vote for a group seeking a controlling position on a company's board of directors best defines a:
- A. tender offer.
 - B. proxy contest.
 - C. hostile takeover.

30. A company reporting under US GAAP has production facilities with a net book value of \$28.4 million. Recently, several competitors have entered its market, and the company now estimates that its production facilities will be able to generate cash flows of only \$3 million per year for the next seven years. The firm has a cost of capital of 10%.
Based on these recent events related to its production facilities, the company's financial statements will most likely report a:
- A. \$13.8 million reduction in operating cash flows.
 - B. \$13.8 million impairment loss on the income statement.
 - C. \$7.4 million reduction in the balance sheet carrying amount.
31. Which of the following statements best describes the effect of finance leases on financial statements?
- A. Balance sheet effects differ based on whether the lease is a direct financing lease or a sales-type lease
 - B. The lessor reports a profit on the sale of the leased asset on the income statement in the case of a sales-type lease
 - C. A lessee reports the interest portion of the lease payment as operating cash flow under IFRS and financing cash flow under US GAAP
32. In which of the following business structures do owners share all risk and business liability?
- A. Corporations
 - B. Limited partnerships
 - C. General partnerships
33. Assuming wages and prices are stable, which of the following policy combinations most likely leads to an increase in the private sector's share of GDP?
- A. Easy fiscal and easy monetary policy
 - B. Tight fiscal and easy monetary policy
 - C. Easy fiscal and tight monetary policy
34. Inventory values are recorded at the lower of cost or.
- A. market.
 - B. net realizable value.
 - C. estimated selling price.

35. A crucial requirement for a central bank to be effective is to:

- A. maintain reasonable inflation targets.
- B. maintain independence from the government.
- C. preserve the confidentiality of its economic views.

36. An analyst gathers the following information (in € millions) about a company's land that is valued under the revaluation model:

Purchase cost	20
Carrying amount after first revaluation at 31 December Year 1	18
Carrying amount after second revaluation at 31 December Year 2	23

As a result of the second revaluation, the revaluation surplus increases (in € millions) by:

- A. 2.
- B. 3.
- C. 5.

37. The following table summarizes income statement data for a manufacturing company:

	Year 2 (in € Thousands)	Year 1 (in € Thousands)
Net revenue	2,611	2,325
Cost of goods sold	1,700	1,550
Gross profit	930	775
Selling, general & administrative expense	295	260
Operating income	635	515
Interest expense	55	55
Pre-tax income	580	460
Income tax	155	120
Net income	425	340

Compared with Year 1, the Year 2 common-size income statement most likely indicates:

- A. a lower tax rate.
- B. sale of a new, differentiated product.
- C. cost cutting in selling, general and administration.

38. If an economy has a long-term growth potential of 2% per year and the central bank's inflation target is 3% per year, the neutral rate of interest is most likely.

- A. 1%.
- B. 3%.
- C. 5%.

39. An analyst is reviewing the property, plant, and equipment disclosure related to a company's warehouse. Under the revaluation model, the analyst would least likely be able to determine:
- A. the original date of acquisition.
 - B. how the fair value was obtained.
 - C. the carrying amount under the cost model.

40. An investor observed the following hedge fund return data.

Year	Beginning of Year Account Balance	Net Return of the Fund
1	\$30 million	10%
2	\$40 million	-5%
3	\$30 million	-5%

The money-weighted return is closest to:

- A. -1.523%.
 - B. -0.749%.
 - C. -0.524%.
41. Which of the following is most likely a leading indicator for an economy?
- A. Change in unit labor costs
 - B. Average weekly hours, manufacturing
 - C. Employees on non-agricultural payrolls
42. Which of the following changes to compensation packages would most likely result in management becoming more risk averse in its corporate decision making?
- A. Decreasing the length of management tenure
 - B. Eliminating stock grants and options from management compensation
 - C. Tying management compensation to the size of the company's business
43. Unaudited financial statements are most likely presented in a(n):
- A. annual report.
 - B. quarterly report.
 - C. proxy statement.

44. A project has the following annual cash flows:

Year 0	Year 1	Year 2	Year 3
-\$606,061	\$2,151,515	-\$2,542,424	\$1,000,000

Which discount rate most likely provides a positive NPV?

- A. 15%
 - B. 18%
 - C. 21%
45. The effectiveness of infrastructure spending as a near-term fiscal stimulant would be least constrained by the:
- A. action lag.
 - B. impact lag.
 - C. recognition lag.
46. The demand curve of a perfectly competitive firm is:
- A. vertical.
 - B. horizontal.
 - C. downward sloping.
47. An exchange rate regime based on an explicit legislative commitment to exchange domestic currency for a specified foreign currency at a fixed exchange rate is best described as a:
- A. monetary union.
 - B. fixed parity system.
 - C. currency board system.

48. An analyst gathers the following exchange rate information:

USD/EUR spot rate	1.0993
USD/EUR 6-month forward points	11.7

USD/EUR is the amount of USD per 1 EUR.

The USD/EUR 6-month forward rate is closest to:

- A. 1.0981.
- B. 1.1005.
- C. 1.2279.

49. An analyst gathers the following information (in € millions) about a company for a given year:

Net income	300
Depreciation expense	35
Increase in inventory	20
Decrease in accounts receivable	30
Increase in accounts payable	25

Cash flow from operating activities (in € millions) for the year is:

- A. 300.
B. 320.
C. 370.
50. A hypothesis test fails to reject a false null hypothesis. This result is best described as a:
A. Type I error.
B. Type II error.
C. test with little power.
51. An investment makes ten payments of \$10,000 per year, with the first payment today. If the annual discount rate is 6%, the present value of the investment is closest to:
A. \$72,098.
B. \$73,601
C. \$78,017.
52. Which of the following is most likely an objective of fiscal policy?
A. Maintaining price stability
B. Achieving an exchange rate target
C. Distributing income and wealth among different segments of the population

53. An analyst gathers the following information about a company:

Company value (\$billions)	1.5
Value of debt (\$billions)	0.6
Marginal tax rate	30%

Based on Modigliani and Miller's Proposition I with taxes, if the company issues common stock to repay outstanding debt, the value of the unlevered company will be closest to:

- A. \$0.9 billion.
B. \$1.3 billion.
C. \$1.5 billion.

54. Which of the following is most likely a primary source of liquidity?
- A. Regular credit lines
 - B. Sale of operating assets
 - C. Renegotiation of supplier contracts
55. If a company raises its prices to consumers, which of the following is most likely to result in an increase in total revenue of the company?
- A. The company's products are price elastic
 - B. The company is in a competitive industry
 - C. The company has a fragmented consumer base
56. Which type of market structure best describes many firms supplying differentiated products?
- A. An oligopoly
 - B. Perfect competition
 - C. Monopolistic competition

57. An analyst gathers the following information about a company:

Cash flow from operating activities	€600,000
Preferred dividends declared and paid	€30,000
Total dividends declared and paid	€120,000
Number of common shares outstanding	100,000

The company did not issue or repurchase common shares during the year. If the company reports total dividends paid as cash flows used in operating activities, cash flow per share is:

- A. €5.70.
 - B. €6.30.
 - C. €6.90.
58. For an analyst estimating a company's target capital structure, which of the following methods is most appropriate?
- A. Apply the company's current capital structure at book value weights
 - B. Use the average capital structure of a diversified group of companies
 - C. Infer the target capital structure by analyzing management statements on capital structure policy

59. A construction company enters into a 2-year building contract. Payment of the consideration will be at the end of the building contract when all performance obligations are met. Costs incurred provide an appropriate measure of progress towards completing the contract. The construction company has incurred 30% of the costs during the first year. Assuming it is highly probable that revenue will not be subsequently reversed, at the end of Year 1, the construction company should most likely recognize a:
- A. receivable.
 - B. contract asset.
 - C. contract liability.
60. A form of economic integration that allows free movement of goods, services, and factors of production among member countries and has a common trade policy against non-members best describes a:
- A. free trade area.
 - B. customs union.
 - C. common market.
61. As a result of an inventory write-down, which of the following financial ratios most likely decreases?
- A. Quick ratio
 - B. Current ratio
 - C. Payables turnover ratio
62. A company's purchases can be estimated as cost of sales plus:
- A. ending inventory less beginning inventory.
 - B. beginning inventory less ending inventory.
 - C. the average level of inventory for the period.

63. A discrete random variable X has the following probability function:

X	Probability
0	0.50
1	0.50

The variance of X is closest to:

- A. 0.25.
- B. 0.50.
- C. 1.00.

64. Which of the following represents the difference between the observed value of a statistic and the quantity it is intended to estimate as a result of using subsets of a population?
- A. Standard error
 - B. Sampling error
 - C. Standard deviation
65. An investor will receive \$50,000 at the end of Year 10. If the discount rate is 5%, the present value of the cash flow at the end of Year 5 is closest to:
- A. \$30,696.
 - B. \$37,311.
 - C. \$39,176.
66. According to Jensen's free cash flow hypothesis:
- A. internal financing is preferable to debt issuance.
 - B. debt reduces management opportunities to misuse cash.
 - C. debt issuance signals confidence about a company's prospects.
67. The archetype of country behavior most likely characterized by globalization and cooperation is:
- A. hegemony
 - B. bilateralism.
 - C. multilateralism.

68. An investor earns the following annual returns over a 4-year period:

Year	Annual Return
1	12.2%
2	-8.5%
3	6.7%
4	-3.3%

The geometric mean annual return is closest to:

- A. 1.45%.
 - B. 1.78%.
 - C. 5.93%.
69. In capital investment decisions, project sequencing is most likely a type of
- A. timing option.
 - B. flexibility option.
 - C. fundamental option.

70. The following information is available for a company that reports its cash flow using the indirect method:

	Year 2(€)	Year 1(€)
Other operating expenses	80,050	76,230
Prepaid insurance expenses	8,400	10,600
Accrued utilities payable	23,020	21,500

Insurance and utilities are the only two components of other operating expenses. The cash the company paid in other operating expenses in Year 2 is:

- A. €76,330.
 - B. €79,370.
 - C. €80,730.
71. If a company purchases, at a premium, bonds that it expects to hold until maturity, they are most likely measured on the balance sheet at:
- A. fair value.
 - B. historical cost.
 - C. amortized cost.
72. Earthquakes most likely expose a country to:
- A. event risk.
 - B. thematic risk.
 - C. exogenous risk.
73. An analyst gathers the following information about a company's capital structure, cost of capital and marginal tax rate:

Market value of debt	\$1,000 million
Market value of equity	\$500 million
Book value of debt	\$900 million
Book value of equity	\$300 million
Pre-tax cost of debt	4%
Cost of equity	6%
Marginal tax rate	30%

If interest is fully tax deductible, the WACC is closest to:

- A. 3.6%.
- B. 3.9%.
- C. 4.7%.

74. An analyst gathers the following information about two companies in the same industry:

	Company 1	Company 2
ROE	12%	18%
Average total assets/Average shareholders' equity	2	3
Revenue/Average total assets	1	2

Based only on this information, Company 2:

- A. is less efficient than Company 1.
- B. has a higher ROA than Company 1.
- C. has a lower net profit margin than Company 1.

75. An analyst gathers the following information for a company's fiscal year beginning 1 January:

Net income	€9,200,000
Interest expense on convertible debt	€1,600,000
Common shares outstanding on 1 January	6,000,000
Common shares issued on 31 March	4,000,000
Common shares outstanding on 31 December	10,000,000
Income tax rate	35%

If the convertible debt was outstanding for the entire year and is convertible into 2,000,000 common shares, reported diluted EPS is closest to:

- A. €0.93.
- B. €0.98.
- C. €1.02.

76. Firms in monopolistic competition most likely have:

- A. no pricing power.
- B. some pricing power.
- C. substantial pricing power.

77. Which of the following statements about the acquisition of a target company with tax loss carryforwards is most accurate? If the acquirer is profitable:

- A. its current tax rate will have no impact on the acquisition price.
- B. the acquirer would theoretically be willing to pay more than another acquirer with a lower tax rate.
- C. the acquirer would theoretically be willing to pay more than another acquirer with a higher tax rate.

78. An analyst computes the following analysis of variance (ANOVA) table for a simple linear regression:

Source	Sum of Squares	Degrees of Freedom	Mean Square
Regression	144	1	144
Error	48	4	12
Total	192	5	---

The standard error of the estimate for the regression is closest to:

- A. 3.5.
 - B. 6.9.
 - C. 12.0.
79. An analyst gathers the following sample: 0, 2, 3, 4, 6. The value of the fourth quintile is:
- A. 4.0.
 - B. 4.8.
 - C. 5.6.
80. Which of the following statements about machine learning is most accurate?
Machine learning:
- A. does not have a broad application in Big Data analysis.
 - B. still requires human judgment in understanding the underlying data.
 - C. performs well even when insufficient data are available to train and validate the model.
81. A portfolio has a mean return of 2.2% and a standard deviation of returns of 2.5%. If the specified minimum target return is 2.2%, the sample target semideviation is:
- A. less than 2.5%.
 - B. equal to 2.5%.
 - C. greater than 2.5%.
82. Members of a company's board of directors are most likely required to:
- A. report to the company's CEO.
 - B. display loyalty to the company.
 - C. work for the company or the industry in which the company operates.

83. With respect to a simple linear regression, the F-distributed test statistic is most appropriate to use when testing if
- A. the intercept is significantly different from zero.
 - B. the independent and dependent variables are significantly positively correlated.
 - C. there is a significant linear relationship between the dependent and independent variables.

84. Which of the following strategies is most common in business-to-business markets where the universe of potential customers is relatively small and easily reached?
- A. Direct sales
 - B. Omnichannel
 - C. Traditional channel

85. Which of the following statements about bootstrap resampling is most accurate?
- A. Multiple samples are taken from the population
 - B. In each resample, items are drawn without replacement
 - C. The randomly drawn sample is treated as if it were the population

86. An analyst collects the following information about a company and its capital structure:

Proportion of debt	40%
Proportion of equity	50%
Proportion of preferred shares	10%
Before-tax cost of debt	8%
Cost of equity	16%
Cost of preferred shares	10%
Marginal tax rate	25%

If interest expense is tax deductible, the company's WACC is closest to:

- A. 11.2%.
 - B. 11.4%.
 - C. 12.2%.
87. A zero correlation between two variables implies the absence of:
- A. a linear relationship between the variables only.
 - B. a non-linear relationship between the variables only.
 - C. both a linear relationship and a non-linear relationship between the variables.

88. An analyst gathers the following information (in € thousands) about an electronics manufacturing company:

	Year 2	Year 1
Cost of sales	1,000	800
Cost of ending inventory	150	120
Net realizable value of inventory	125	160

Changes to the allowance for inventory obsolescence have already been reflected in cost of sales. The days of inventory on hand (based on average inventory and 365-day year) for Year 2 is closest to:

- A. 45.
 - B. 49.
 - C. 52.
89. The amount of time that elapses from the point when a company invests in working capital until the point at which the company collects cash is:
- A. net operating cycle.
 - B. defensive interval ratio.
 - C. number of days of sales outstanding.
90. In company analysis, which of the following is most likely a solvency ratio?
- A. Quick ratio
 - B. Current ratio
 - C. Interest coverage ratio