1. Following Table shows that table for various fees charged by FUND A and FUND B. Which fund will you suggest to your friend for investment over 2 year period?

<table>
<thead>
<tr>
<th></th>
<th>Fund A</th>
<th>Fund B</th>
<th>Fund C</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Front end Load</strong></td>
<td>2%</td>
<td>0</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Annual Fees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution Fees</td>
<td>0.50%</td>
<td>1%</td>
<td>0.50%</td>
</tr>
<tr>
<td>Fund Management Fees</td>
<td>0.30%</td>
<td>0.50%</td>
<td>1%</td>
</tr>
<tr>
<td>Other Fund Expenses</td>
<td>0.30%</td>
<td>0.60%</td>
<td>0.010%</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>1.10%</td>
<td>2.10%</td>
<td>1.60%</td>
</tr>
<tr>
<td><strong>Return Expectation</strong></td>
<td>10%</td>
<td>11%</td>
<td>10%</td>
</tr>
</tbody>
</table>

   a. Fund A  
   b. Fund B  
   c. Fund C

2. Mr. Ramchandra Huha is planning to buy a building with 5000 Sqft carpet area. He forecasts a potential Net operating income from the building at $10,000/month. How much would Mr. Huha be willing to pay for this property if his estimated capitalization rate is 8%?

   a. $ 125,000  
   b. $ 1,500,000  
   c. $ 1,250,000

3. A Deeya Limited is planning to grow in the area of energy storage devices. Deeya has already developed the product and has filed more than 10 patents while the process of development of most efficient energy storage device. The company has also hired a very good production team and completed the pilot production. The product of pilot production was hugely successful. Now Deeya, want to set up a complete facility for the production of the efficient energy storage device. They approached a fund for the investment into the company. Which type of fund should the company approach?

   a. Seed Stage Funds  
   b. Mezzanine Funds  
   c. Growth Capital Funds

4. Which of the following is not a Key Benefit of the In-kind process used by the ETFs?

   a. The in-kind creation and redemption feature keeps market prices of ETF shares close to NAV and avoids the premiums and discounts typical for closed-end funds.
   b. It doesn’t provide the exchange participants an opportunity for arbitrage between the shares of stock that make up the fund and shares of the fund.
   c. There is a tax advantage to in-kind redemption. If the fund distributes shares as a redemption method, any capital gains on the shares are realized at their sale.
5. Which of the following statement is false about the open ended and close ended mutual funds?
   a. Open-end investment companies are funds that continue to sell and repurchase shares after their initial public offerings.
   b. Closed-end investment companies does not issue or redeem shares after the initial offering.
   c. The share price of an open-end fund will always equal the NAV and the share price of a closed-end fund shall always trade at a premium to the actual NAV.

6. A company is considering the purchase of a small office building and, as part of his analysis, must calculate the NOI. The information on the buildings as follows:
   - Gross potential rental income: $300,000
   - Estimated vacancy and collection loss rate: 3%
   - Insurance: $10,000
   - Taxes: $5000
   - Depreciation: $10,000

   Based on the abovementioned Data what could be the NOI of the Building
   a. $266,000
   b. $276,000
   c. $275,000

7. A commodity based mutual fund has following holding

<table>
<thead>
<tr>
<th>Items</th>
<th>Units</th>
<th>Price/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold</td>
<td>2120</td>
<td>10</td>
</tr>
<tr>
<td>Copper</td>
<td>1200</td>
<td>25</td>
</tr>
<tr>
<td>Crude</td>
<td>2800</td>
<td>33</td>
</tr>
<tr>
<td>Steel</td>
<td>3400</td>
<td>46</td>
</tr>
</tbody>
</table>

   If mutual fund is being traded at an NAV of 20, how many units of mutual fund are there
   a. 15000
   b. 15102
   c. 14995

8. Closed-end funds are generally traded at
   a. Discount to their NAVs
   b. Premium to their NAV’s
   c. At par to their NAV’s

9. Harbhajan khan spent $2310 on purchasing 120 units of a mutual fund. If fund unit has a NAV of 18 then load percentage is close to
   a. 7%
   b. 6.5%
10. Which of the following statement is most correct about the characteristic of fund investment?
   a. A fund manager who is investing in high RoE stock is pursuing a Sector strategy
   b. Investments of a fund concentrated in Power sector. Investment Manager would be said to follow the Style Strategy
   c. An Index fund tries to match the performance of the designated Index such as S&P 500

11. What is most likely to be untrue regarding close ended mutual funds
   a. They are traded in secondary markets
   b. These are usually traded at premium to their NAV
   c. They usually charge management fees annually

12. What is most likely to be untrue regarding Exchange traded fund (ETF)
   a. ETF can only divested through sale in secondary markets
   b. ETF can redeem shares directly
   c. ETF generally does not trade at any premium or discount to NAV

13. Stable-value investment strategy would involved
   a. Buying high P/E
   b. Low P/E stocks
   c. Invest In Short-Term, Fixed-Income Securities

14. For which kind of mutual funds, NAV per unit of the fund may differ from the trading market price per unit of the fund?
   a. Open End
   b. Closed End
   c. Neither open end nor closed end

15. Calculate total redemption value for an investor who invests $10,000 in class A shares, and want to redeem them after two years. Front end load would be 4% of the investment. Assume fund yield constant gross return of 9% per annum. Total annual fee is 1%.
   a. $11,181.43
   b. $11,178.79
   c. $11,410.51

16. Which of the following is FALSE regarding ETF?
   a. Currency and Country risk may be present in ETF that is based on international indexes
   b. Trading price of ETF can never differ from NAV even in less liquid market and market having less depth in types of investors trading in market, as authorized participants constantly trade them in order to keep NAV close to market price
c. Because ETFs are passively managed they provide efficient operating ratio than most of the open and closed end funds

17. Calculate the NOI, from the following data.
   - Gross potential rental income: $250,000
   - Estimated vacancy and collection loss rate: 5%
   - Insurance: $10,000
   - Taxes: $8,000
   - Utilities and maintenance: $22,000
   a. $198,697
   b. $193,500
   c. $197,500

18. Calculate the probability of survival for an investment in venture capital fund for three years. Other data are given below.

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failure Probability</td>
<td>0.20</td>
<td>0.35</td>
<td>0.18</td>
</tr>
</tbody>
</table>

   a. 42.64%
   b. 41.36%
   c. 35.54%

19. A commodity market tends to be in contango if:
   a. It is dominated by end users of the commodity
   b. The spot price is greater than future prices
   c. Spot price is less than future prices

20. The source of return on a long-only commodity investment that represents the change in the spot price over the life of the forward or futures contract used is the:
   a. Roll yield
   b. Spot yield
   c. Price return