Question 1

Question Type: **MultipleChoice**

During "Early accumulation" life stage, typical asset allocation should be
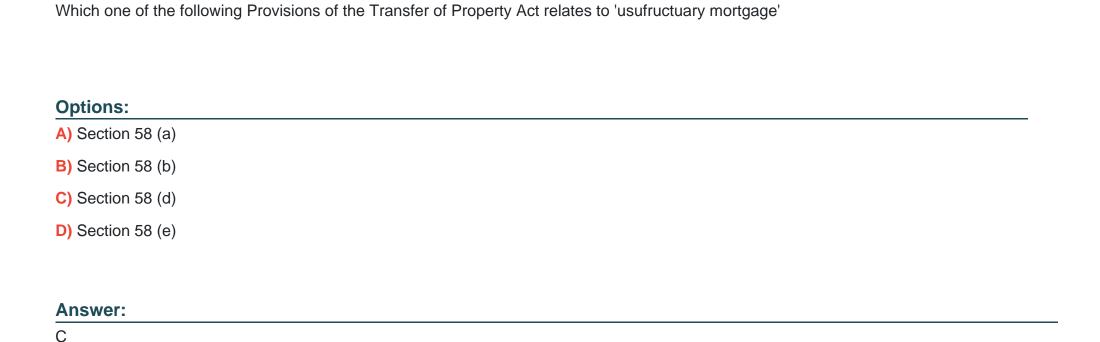
Options:

A) 25% equities, rest in fixed income instruments

B) 50% equities, rest in fixed income instruments

C) 75% equities, rest in fixed income instruments

D) 100% equities

Answer:

B

Question 2

Question Type: **MultipleChoice**

Which one of the following Provisions of the Transfer of Property Act relates to 'usufructuary mortgage'

Options:

A) Section 58 (a)

B) Section 58 (b)

C) Section 58 (d)

D) Section 58 (e)

Answer:

C

Question 3

Question Type: MultipleChoice

What is 'Takaful'

A) Power Attorney

B) Safe keeping

C) Islamic insurance

D) Leasing

Answer:

C

Question 4

Question Type: MultipleChoice

What is 'Mudharabah'

Options:

A) Sale

B) Islamic loan transactions

C) Exchange contracts

D) Profit sharing

Answer:

D

Question 5

Question Type: MultipleChoice

"Accumulation" is the age between _____

Options:

A) 0-25

B) 25-55

C) 55-75

D) 75 or above

Answer:

B

Question 6

"A borrower defaults on a secured loan of Rs. 50,000. The underlying security is worth Rs. 60,000. Which of the following is true? "

Options:

A) 'Bank can retain Rs. 50,000. Balance Rs. 10,000 has to be paid to the borrower.'

B) Bank cannot sell the underlying security because its value is higher than loan.

C) 'Bank can retain the entire Rs. 60,000'

D) 'The excess of Rs. 10,000 has to be shared equally between the bank and the borrower.'

Answer:

A

Question 7

Question Type: MultipleChoice

A "Mass Affluent" segment client has investible assets worth of

Options:

A) $50,000

B) $100,000

C) $200,000

D) None of the above

Answer:

B

Question 8

Question Type: MultipleChoice

A "Family Office" segment client has investible assets worth of

Question 9

Question Type: MultipleChoice

Modern "Asset Allocation" is based upon the model developed by Harry Markowitz. Which of the following statement is/are correctly identified with this Model?

(I)	The risk, return and co-variance of assets are important input variables in creating portfolios.
(II)	Negatively correlated assets are necessary to reduce the risk of portfolios.
(III)	In creating a portfolio, diversifying across asset types e.g. (stocks and bonds) is less effective than diversifying within an asset type.
(IV)	The effective frontier is relatively insensitive to input variable

Options:

A) I & II only

B) I, II & III only

C) I only

D) I, II & IV only

Answer:

B