



Free Questions for CCRA-L2 by vceexamstest

Shared by Jordan on 15-04-2024

For More Free Questions and Preparation Resources

Check the Links on Last Page

Question 1

Question Type: MultipleChoice

Which of the following is a factor considered while evaluating resources profile for rating of bank?

Options:

- A- Size and growth of deposits
- B- All of the three
- C- Deposit composition & stickiness
- D- Geographic distribution of deposits

Answer:

B

Question 2

Question Type: MultipleChoice

Risk in CDS price is reflective of

Options:

- A- increase in probability of default
- B- increase in interest rates
- C- decrease in probability of default
- D- increase in recovery rates

Answer:

A

Question 3

Question Type: MultipleChoice

Z spreads in Callable bonds include:

Options:

- A- Does not include premium for credit risk and call option price for prepayment risk.
- B- Premium for credit risk and call option price for prepayment risk is included.
- C- Premium for credit risk is only included.
- D- Premium for call option price for prepayment risk is only included.

Answer:

B

Question 4

Question Type: MultipleChoice

In an industry there are only 20 firms and each of them has equal share. Compute Herfindahl Hirschman Index and state the level of concentration in the industry.

Options:

- A- HHI = 500; High Concentration
- B- HHI = 8000; low Concentration
- C- HHI = 8000; High Concentration
- D- HHI = 500; Low Concentration

Answer:

D

Question 5

Question Type: MultipleChoice

Change in priority ranking of reference obligations is:

Options:

- A- Obligation acceleration
- B- Obligation default
- C- Restructuring

D- Repudiation

Answer:

C

Question 6

Question Type: MultipleChoice

Which of the following is not one of the C in the 5 C Model?

Options:

A- Capacity

B- Capital

C- Covenants

D- Conditions

Answer:

C

Question 7

Question Type: MultipleChoice

Which of the following statement is false?

Options:

- A-** DEF Ltd. has received a speculative grade rating as its outstanding rating is B+
- B-** Non-Convertible debenture of PQR Ltd. has a speculative rating since its outstanding rating is C
- C-** ABC Ltd. short term is BBB- for its commercial paper
- D-** XYZ has an investment grade rating as his outstanding rating is A1

Answer:

B

Question 8

Question Type: MultipleChoice

If you yield curve is humped and the medium rates drop, what will happen to the yield curve?

Options:

- A- It will move from negative to positive
- B- It will shift up in a uniform fashion
- C- It will become steeper
- D- It will flatten

Answer:

C

Question 9

Question Type: MultipleChoice

In Steepening short term rates _____ relative to long term rate

Options:

A- falls

B- rises

C- is independent of each other

D- remains constant

Answer:

A

Question 10

Question Type: MultipleChoice

Under an advance factoring contract, following flow of money takes place:

A: Factor pays a percentage of the invoice face value to the seller at the time of sale

B: The remainder of the purchase price is held by factor until the payment by the account debtor is made.

C: The cost associated with the transaction is paid upfront by the seller to the factoring agent.

Options:

A- Only B

B- A, B and C

C- Only C

D- Only A and B

Answer:

D

To Get Premium Files for CCRA-L2 Visit

<https://www.p2pexams.com/products/ccra-l2>

For More Free Questions Visit

<https://www.p2pexams.com/aiwmi/pdf/ccra-l2>

