第2節

科目:財務管理

適用:財金系

考生注意:

1.依次序作答,只要標明題號,不必抄題。

2.答案必須寫在答案卷上,否則不予計分。

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編號:262

3.限用藍、黑色筆作答;試題須隨卷繳回。

I. .	單選題	(4% for	each	question,	Total	100%):
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- 1. Which of the following statements regarding risk management is FALSE?
 - (A) To insure their assets against hazards such as fire, storm damage, vandalism, earthquakes, and other natural and environmental risks firms commonly purchase property insurance.
 - (B) To cover the costs that result if some aspect of the business causes harm to a third party or someone else's property a firm would purchase business liability insurance.
 - (C) Horizontal integration entails the merger of a firm and its supplier or a firm and its customer.
 - (D) Insurance that compensates for the loss or unavoidable absence of crucial employees in the firm is called key personnel insurance.
 - (E) Like insurance, hedging involves contracts or transactions that provide the firm with cash flows that offset its losses from price changes.
- 2. Which of the following statements is FALSE?
 - (A) For many firms, changes in the market prices of the raw materials they use and the goods they produce may be the most important source of risk to their profitability.
 - (B) When a firm authorizes managers to trade contracts to hedge, it opens the door to the possibility of speculation.
 - (C) Futures prices are not prices that are paid today. Rather, they are prices agreed to today, to be paid in the future.
 - (D) Corporations use interest rate swaps routinely to alter their exposure to interest rate fluctuations.
 - (E) Long-term supply contracts are designed to eliminate credit risk.
- 3. Which of the following statements is FALSE?
 - (A) The process of selling stock to the public for the first time is called a seasoned equity offering (SEO).
 - (B) Secondary shares are shares sold by existing shareholders, including the company's founder.
 - (C) An important consideration for investors in private companies is their exit strategy or how they will eventually realize the return from their investment.
 - (D) If the entire issue does not sell out, the remaining shares must be sold at a lower price and the underwriter must take the loss.
 - (E) Many IPOs, especially the larger offerings, are managed by a group of underwriters.
- 4. Which of the following statements is FALSE?
 - (A) The Black-Scholes formula can be used to price American or European call options on non-dividend-paying stocks.
 - (B) A holder would not exercise an in-the-money option.
 - (C) Because a short position in an option is the other side of a long position, the profits from a short position in an option are just the negative of the profits of a long position.
 - (D) An American option with a later exercise date cannot be worth less than an otherwise identical American option with an earlier exercise date.
 - (E) The option price is more sensitive to changes in volatility for at-the-money options than it is for in-the-money options.

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Use the information for the question(s) 5 and 6 below.

Omicron Industries' Market Value Balance Sheet (\$ Millions) and Cost of Capital

Assets		Liabilities		Cost of Capital		
Cash	0	Debt	200		Debt	6%
Other Assets	500	Equity	300	*	Equity	12%
					\Box $\overline{\mathcal{J}}c$	25%

Omicron Industries New Project Free Cash Flows				
Year	0	1	2	3
Free Cash Flows	(\$100)	\$40	\$50	\$60

Assume that this new project is of average risk for Omicron and that the firm wants to hold constant its debt to equity ratio.

- 5. Omicron's weighted average cost of capital is:
 - (A) 7.50%
 - (B) 8.10%
 - (C) 8.40%
 - (D) 9.00%
 - (E) 12.00%
- 6. The NPV for Omicron's new project is closest to:
 - (A) \$18.28
 - (B) \$25.11
 - (C) \$26.56
 - (D) \$27.29
 - (E) \$28.77
- 7. The long-term debt ratio is probably of most interest to a firm's:
 - (A) credit customers.
 - (B) employees.
 - (C) suppliers.
 - (D) mortgage holder.
 - (E) stockholders.
- 8. You are considering an investment project with an internal rate of return of 8.7 percent, a net present value of \$393, and a payback period of 2.44 years. Which one of the following is correct given this information?
 - (A) The discount rate used in computing the net present value was less than 8.7 percent.
 - (B) The discounted payback period will be less than 2,44 years.
 - (C) The discount rate used to compute the net present value is equal to the internal rate of return.
 - (D) The required payback period must be greater than 2.44 years.
 - (E) This project should be rejected based on the net present value.

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9. When a firm commences a positive net present value project, you know:

- (A) the project will pay back within the required payback period.
- (B) the present value of the expected cash flows is equal to the project's cost.
- (C) the inherent risks within the project have been ignored.
- (D) that all the projected cash flows will occur as expected. •
- (E) the stockholders' value in the firm is expected to increase.

10.A firm has 12,000 shares of stock ou	itstanding, sales of \$638,100, a profit margin of 8.2 percent,
a tax rate of 21 percent, a price-earn	nings ratio of 11.3, and a book value per share of \$7.98.
What is the market-to-book ratio?	

(A) 5.16

(B) 5.42

(C) 6.08

(D) 6.17

(E) 6.90

- 11.If a firm issues debt and includes protective covenants in the indenture then the firm's debt will probably be issued at _____ similar debt without the covenants.
 - (A) a variable interest rate rather than the fixed rate paid on

(B) a lower interest rate than

(C) a significantly higher interest rate than

(D) an interest rate equal to that of

(E) a slightly higher interest rate than

- 12. The optimal capital structure has been achieved when the:
 - (A) debt-equity ratio is equal to 1.
 - (B) weight of equity is equal to the weight of debt. ' "
 - (C) cost of equity is maximized given a pretax cost of debt.
 - (D) debt-equity ratio is such that the cost of debt exceeds the cost of equity.
 - (E) present value of the financial distress costs equals the present value of the tax shield on debt.
- 13. According to the pecking-order theory, a firm's leverage ratio is determined by:

(A) the value of the tax benefit of debt.

- (B) equating the tax benefit of debt to the financial distress costs of debt.
- (C) the firm's financing needs.
- (D) the market rate of interest.
- (E) the profitability of the firm.
- 14. Ignoring taxes and all else held constant, the market value of a stock should decrease by the amount of the dividend on the:
 - (A) dividend declaration date.
 - (B) ex-dividend date.
 - (C) date of record.
 - (D) date of payment.
 - (E) day after the date of payment.



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15. Executive stock options generally have all the following characteristics except:

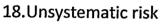
- (A) aligning executive goals with shareholder goals.
- (B) linking executive compensation to performance.
- (C) providing tax efficiency.
- (D) increasing executive base salaries.
- (E) putting executive pay at risk.

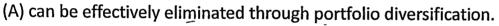
16.All else held constant, interest rate risk will increase when the time to maturity:

- (A) decreases or the coupon rate increases,
- (B) decreases or the coupon rate decreases.
- (C) increases or the coupon rate increases.
- (D) increases or the coupon rate decreases.
- (E) decreases and the coupon rate equals zero.

17. How much are you willing to pay for one share of stock if the company just paid an annual dividend of \$1.03, the dividends increase by 3 percent annually, and you require a rate of return of 15 percent?

- (A) \$6.87
- (B) \$8.58
- (C) \$8.84
- (D) \$9.49
- (E) \$10.40





- (B) is compensated for by the risk premium.
- (C) is measured by return standard deviation.
- (D) cannot be avoided if you wish to participate in the financial markets.
- (E) is related to the overall economy.

19.A stock with a beta of zero would be expected to have a rate of return equal to:

- (A) the risk-free rate.
- (B) the market rate of return.
- (C) systematic return.
- (D) the market risk premium.
- (E) zero.

20. Which one of the following portfolios **cannot lie** on the efficient frontier as described by Markowitz?

Portfolio	Expected Return	Standard Deviation
14/	A LAPCCICA NCTAIL	Juliana Deviation
VV	10%	12%
Χ	5%	7%
$\hat{\mathbf{v}}$		
<u>r</u>	15% 🗀 🦳	20%
Z	12%	─
_	/0) ,	. 25/0

- (A) Only portfolio W cannot lie on the efficient frontier
- (B) Only portfolio X cannot lie on the efficient frontier.
- (C) Only portfolio Y cannot lie on the efficient frontier.
- (D) Only portfolio Z cannot lie on the efficient frontier.
- (E) Cannot tell from the information given.

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21. The risk-free rate is 4%. The expected market rate of return is 1	.2%. If you expect stock X with a
beta of 1.0 to offer a rate of return of 10%, you should	•

- (A) buy stock X because it is overpriced.
- (B) sell short stock X because it is overpriced.
- (C) sell short stock X because it is underpriced.
- (D) buy stock X because it is underpriced.
- (E) None of the options, as the stock is fairly priced.

22.Consider the s	single factor APT. Portfol	io A has a beta	\int_{0}^{∞} of 1.3 and a	n expected returr	n of 21%.
Portfolio B ha	s a beta of .7 and an exp	ected returno	f 17%. The ris	sk-free rate of ret	urn is 8%. If
you wanted to	take advantage of an a	rbitrage oppor	tunity, you sh	ould take a short	position in
portfolio	and a long position	nrin portfolio	<u>. </u>	••	

- (A) A; A
- (B) A; B
- (C) B; A
- (D) B; B
- (E) B, the riskless asset
- 23. Which one of the following statements is cornect concerning market efficiency?
 - (A) Markets tend to be more efficient when the frequency of price changes diminishes.
 - (B) If a market is efficient, arbitrage opportunities should be common.
 - (C) In an efficient market, some market participants will have an advantage over others.
 - (D) A firm will generally receive a fair price when it sells newly issued shares of stock.
 - (E) New information will gradually be reflected in a stock's price to avoid spooking investors.
- 24.our portfolio has a beta of 1.18 and invests \$3,000 in U.S. Treasury bills, \$6,000 in Stock A, and \$11,000 in Stock B. Stock A has a risk level equivalent to that of the overall market. What is the beta of Stock B?
 - (A) 0.55
 - (B) 1.10
 - (C) 1.24
 - (D) 1.40
 - (E) 1.60



- 25. The value of a listed put option on a stock is lower when:
 - The exercise price is higher.
 - II. The contract approaches maturity.
 - III. The stock decreases in value.
 - IV. A stock split occurs.
 - (A) II only
 - (B) II and IV only
 - (C) I, II, and III only
 - (D) I, II, and IV only
 - (E) I, II, III, and IV

