

# **Free Questions for CWM\_LEVEL\_2**

**Shared by Obrien on 04-10-2024**

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## Question 1

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**Question Type: MultipleChoice**

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Section B (2 Mark)

Major phases of budgeting process are:

**Options:**

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- A- Assessing Current situation and recommendation of products
- B- Recommendation of products and Planning Financial direction
- C- Assessing current situation and planning financial direction
- D- None of the above

**Answer:**

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C

## Question 2

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**Question Type: MultipleChoice**

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Section A (1 Mark)

The concept of indemnity is based on the key principle that policyholders should be prevented from

**Options:**

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- A- Insuring existing losses
- B- Making false insurance claims
- C- Paying excessively for insurance cover
- D- Profiting from insurance

**Answer:**

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D

## Question 3

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**Question Type:** MultipleChoice

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Section A (1 Mark)

A European put option can be exercised

**Options:**

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- A- Any time in the future.
- B- Only on the expiration date.
- C- If the price of the underlying asset declines below the exercise price.
- D- Immediately after dividends are paid.

**Answer:**

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B

## Question 4

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**Question Type: MultipleChoice**

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Section A (1 Mark)

Under which of the categories of asset you would put Real Estate in:

**Options:**

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A- Growth asset

B- Income asset

C- Defensive asset

D- Safe haven asset

**Answer:**

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A

## Question 5

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**Question Type: MultipleChoice**

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Section A (1 Mark)

To try to develop a property's competitive edge, an investor should consider which of the following?

**Options:**

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- A- Property management & Improvement
- B- Location & site characteristics
- C- Restrictions on use
- D- All of the above

**Answer:**

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D

## Question 6

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**Question Type:** MultipleChoice

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Section A (1 Mark)

Which of the following income is not exempt under section 10-IT Act 1961?

**Options:**

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- A- Share in total income of firm

- B- Bonus on life insurance
- C- Income from mutual funds
- D- Income from agriculture in Lahore

**Answer:**

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D

## Question 7

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**Question Type:** MultipleChoice

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Section C (4 Mark)

Suppose Nifty is at 4500 in May. An investor, Mr. A, executes a Short Strangle by selling a Rs. 4300 Nifty Put for a premium of Rs. 23 and a Rs. 4700 Nifty Call for Rs 43.

What would be the Net Payoff of the Strategy?

\* If Nifty closes at 3735

\* If Nifty closes at 5265

**Options:**

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- A- 499 and 154
- B- 501 and -499
- C- C 499 and 501
- D- -499 and -499

**Answer:**

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D

## Question 8

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**Question Type: MultipleChoice**

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Section B (2 Mark)

In 2011-12, George has property income of 8,000 and net bank interest of 4,000. He claims the personal allowance of 7,475. What is the income tax borne for the year?

**Options:**

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A- 901.50

B- 849.00

C- 1,105.00

D- 552.50

**Answer:**

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A

## Question 9

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**Question Type:** MultipleChoice

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Section A (1 Mark)

\_\_\_\_\_ CRM automates and improves customer-facing and customer supporting business processes

**Options:**

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A- Strategic

- B- Operational
- C- Analytical
- D- Collaborative

**Answer:**

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B

## Question 10

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**Question Type: MultipleChoice**

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Section B (2 Mark)

In 2011-12, an individual receives net building society interest of 792. The equivalent gross income is:

**Options:**

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- A- 792
- B- 1,320

C- 880

D- 990

**Answer:**

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D

## Question 11

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**Question Type: MultipleChoice**

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Section B (2 Mark)

NRIs are granted a special benefit by way of an option of being taxed at concessional tax rate of \_\_\_\_\_ as regards "investment income" and \_\_\_\_\_ as regards "long term capital gains" arising from "specified assets."

**Options:**

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A- 20% and 10%

B- 15% and 20%

C- 12% and 10%

D- 10% and 15%

**Answer:**

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B

## Question 12

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**Question Type:** MultipleChoice

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Section B (2 Mark)

A bond has the following terms:

<b>Annual interest</b>	<b>Rs. 100</b>
<b>Term</b>	<b>15 years</b>
<b>Principal</b>	<b>Rs. 1,000</b>

If you expect the bond to be called at the end of the year, what would be the maximum price you should pay for the bond if comparable yields are 7 percent?

**Options:**

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A- 1012.35

B- 1024.39

C- 1028.04

D- 1016.19

**Answer:**

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C

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