### Assignment 8
The following questions are meant to test your understanding of the course material. Please ensure you have not exceeded the time limit before submitting this assignment.

#### Question 1
Which of the following classifications is used to categorize various alternative investments?

- A. Investment in Venture Capital
- B. Investment in Opportunity
- C. Investment in Private Equity
- D. Investment in Hedge Fund

**Correct Answer:** B. Investment in Opportunity

#### Question 2
Why are alternative investments often referred to as hedge funds?

- A. Exposure to different market types
- B. Exposure to multiple asset classes
- C. Exposure to different country markets
- D. All of the above

**Correct Answer:** D. All of the above

#### Table 1: Matching Alternative Investments with Their Characteristics

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Traditional Investments</td>
<td>1. Share of a Holding Company</td>
</tr>
<tr>
<td>B. Alternative Investments</td>
<td>2. Limited Partnership</td>
</tr>
<tr>
<td>C. Real Estate Investment</td>
<td>3. Real Estate Investment</td>
</tr>
<tr>
<td>D. Available in general investors</td>
<td></td>
</tr>
</tbody>
</table>

**Correct Answer:**
- A. to B. |
- B. to C. |
- C. to D. |
- D. to A.|

**Points:** 2

#### Question 3
A. Lone tree, highly levered, high return
B. Lower risk, lower return
C. More leverage, lower return, high return
D. More leverage, higher return, lower return

**Correct Answer:** C. More leverage, lower return, high return

**Points:** 2

#### Question 4
In case of alternative investments, on which of the following does the investor base impact most?

- A. C. and D. |
- B. A. and B. |
- C. A. and C. |
- D. All of the above

**Correct Answer:** D. All of the above

**Points:** 1

#### Question 5
What kind of relationship is there between emerging market and risk aversion?

- A. Proportional (Congraded)
- B. Negative (Not Congraded)
- C. None of the above

**Correct Answer:** B. Negative (Not Congraded)

**Points:** 1

#### Question 6
Which of the following statements about real estate investments is true?

- A. It is a low-risk, low-return investment
- B. It is a high-risk, high-return investment
- C. It is a medium-risk, medium-return investment
- D. It is a medium-risk, medium-return investment

**Correct Answer:** C. It is a medium-risk, medium-return investment

**Points:** 1

#### Question 7
What is the maximum amount of capital that delight can invest, given the following conditions?

- A. $100M in venture capital
- B. $200M in real estate
- C. $300M in hedge funds
- D. $400M in private equity

**Correct Answer:** B. $200M in real estate

**Points:** 2

#### Question 8
What does the term "risk aversion" refer to?

- A. The likelihood of losing money
- B. The likelihood of gaining money
- C. The likelihood of gaining money
- D. None of the above

**Correct Answer:** A. The likelihood of losing money

**Points:** 1

#### Question 9
In general, what is the relationship between real estate and risk aversion?

- A. Positive (Congraded)
- B. Negative (Not Congraded)
- C. None of the above

**Correct Answer:** B. Negative (Not Congraded)

**Points:** 1

#### Question 10
What is the relationship between real estate and risk aversion?

- A. Real estate is highly correlated with risk aversion.
- B. Real estate is not correlated with risk aversion.
- C. Real estate is negatively correlated with risk aversion.
- D. Real estate is positively correlated with risk aversion.

**Correct Answer:** C. Real estate is negatively correlated with risk aversion.

**Points:** 1

#### Question 11
What is the capital market?

- A. $100M in venture capital
- B. $200M in real estate
- C. $300M in hedge funds
- D. $400M in private equity

**Correct Answer:** D. $400M in private equity

**Points:** 2

#### Question 12
What is the relationship between real estate and risk aversion?

- A. Real estate is highly correlated with risk aversion.
- B. Real estate is not correlated with risk aversion.
- C. Real estate is negatively correlated with risk aversion.
- D. Real estate is positively correlated with risk aversion.

**Correct Answer:** C. Real estate is negatively correlated with risk aversion.

**Points:** 2

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**Due Date:** 23:59 IST, 05-03-2021