Assignment 6

Due on 2022-01-26, 23:00 IST

Question 1: If the offer is made in the United States, in which currency is it likely to be issued?
- US Dollars
- Euros
- British Pounds
- Indian Rupees

Question 2: What is the principal advantage of developing a corporate bond?
- Immediate liquidity
- Lower risk
- Higher interest rate
- More flexibility

Question 3: Which type of bond is most likely to be issued by a government?
- Tax-exempt bond
- High-yield bond
- Zero-coupon bond
- Inflation-indexed bond

Question 4: What is the primary goal of a bond?
- To raise capital
- To reduce interest rates
- To increase dividends
- To improve credit ratings

Question 5: In a corporate bond, the term "floating rate" refers to:
- A rate that changes daily
- A rate that changes monthly
- A rate that changes quarterly
- A rate that changes annually

Question 6: What is the principal disadvantage of a bond?
- Higher risk
- Lower liquidity
- Higher interest rate
- More regulations

Question 7: Which of the following is not a characteristic of a corporate bond?
- Callable
- Convertible
- Zero-coupon
- Inflation-indexed

Question 8: What is the principal advantage of a corporate bond?
- Higher interest rate
- Lower risk
- Immediate liquidity
- More flexibility

Question 9: Which type of bond is most likely to be issued by a municipality?
- Tax-exempt bond
- High-yield bond
- Zero-coupon bond
- Inflation-indexed bond

Question 10: What is the primary goal of a corporate bond?
- To raise capital
- To improve credit ratings
- To reduce interest rates
- To increase dividends

Question 11: In a corporate bond, the term "floating rate" refers to:
- A rate that changes daily
- A rate that changes monthly
- A rate that changes quarterly
- A rate that changes annually

Question 12: What is the principal disadvantage of a corporate bond?
- Higher risk
- Lower liquidity
- Higher interest rate
- More regulations

Question 13: Which of the following is not a characteristic of a corporate bond?
- Callable
- Convertible
- Zero-coupon
- Inflation-indexed