

The Mid-term Exam important questions of **“Finance English”**?

- Q01. How Do We Manage Risk? What are the steps of risk management?
- Q02. What is a Risk Management Plan? Write it out using step by step way.
- Q03. What is “Modern Portfolio Theory”?
- Q04. What is the definition of “Cause and Effect Diagrams- Also known as Ishikawa or fishbone”?

The above four questions can be found on the file, entitled “2017 Finance English enhanced file 01”.

- Q05. What is the major difference between the primary market and secondary market?
- Q06. How do you compute a company’s market cap?
- Q07. What are the two major significant protections that NYSE has provided for investors in terms of listing requirements?
- Q08. We usually classify market cap into three major classes: Large cap, Mid cap, and Small cap. Other than these three classes, what other classes of market cap that the article has further presented?
- Q09. Being a shareholder of a public company, can you intervene the company’s operation? If yes, how? Clarify your answers in daily operations and major operations.
- Q10. Distinguish and describe the main differences between “debt financing” and “equity financing”
- Q11. Are preferred stock investors guaranteed a fixed dividend? When a company goes bankrupt, what is the claim order for the investors who come to make a claim on the firm’s assets?
- Q12. What is the relationship between earnings and stock price?
- Q13. P/E ratio is stock price to earnings ratio. Why is P/E ratio an important factor that may be significantly correlated to stock prices?
- Q14. Describe what types of investors are “chickens” and what types of investors are “pigs”?
- Q15. Why a bond is also named a fixed-income security?
- Q16. Describe how you adjust the weights between bonds and stocks for your portfolio.
- Q17-1. Do government bonds have a tax advantage? Explain your answer
- Q17-2. Are government bonds supposed to provide higher, lower, or similar after-tax yield than that of the comparable corporate bonds? Why?

See Textbook : Q5-Q8(CH 2); Q9-Q14(CH 3); Q15-Q17(CH 4)

The Mid-term Exam paper has eight questions.