EASY INTERMEDIATE HARD

CFA® SAMPLE QUESTION – LEVEL I

Portfolio Management

Q: The standard deviation of the rates of return is 0.20 for stock A and 0.12 for stock B.

The covariance between the returns of A and B is 0.0096. The correlation of the rates of return between A and B is:

ⓐ 0.20

ⓑ 0.24

ⓒ 0.36

ⓓ 0.40

CFA Society Hong Kong
Candidate Services

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