BFN203 - BASIC FINANCIAL LITERACY SUMMARY

_____ involves spending of money with the hope of reaping some financial benefits.
Investment

According to_____, investment is regarded as savings embarked upon as a result of "delayed consumption."
economists

According to economists, _____ is regarded as savings embarked upon as a result of "delayed consumption."
Investment

_____ is recognized as the deployment of financial resources towards enhancing a person's income or increasing the level of earnings from investible products in the future.
Investment

_____ takes place when certain amount of money is deposited in an account in the bank.
Investment

Investment takes place when certain amount of _____ is deposited in an account in the bank.
money

According to economists, equipment acquired by a firm for production with which to earn income from its operations in the long run is an_____.
investment

Investment takes place when certain amount of money is deposited in an _____ in the bank.
account

Investment takes place when certain amount of money is deposited in an account in the_____.
Bank

In_____, an investment involves utilization of funds in acquisition of financial assets such as stocks, bonds, bullion, real properties, and precious items.
Finance

In finance, an _____ involves utilization of funds in acquisition of financial assets such as stocks, bonds, bullion, real properties, and precious items.
Investment

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_____ implies acquisition of a product of financial value with expectation of generating desired returns in the future.
practice of investment

An _____ in good financial investment is fraught with reasonable level of market liquidity.
Investment

An investment in good financial investment is fraught with reasonable level of _____liquidity.
market

An investment in good financial investment is fraught with reasonable level of market_____.
Liquidity

In order to assess the value of a financial investment, a mechanism known as_____
valuation becomes relevant

_____ posits that the term investment refers to something that is acquired with money with the expectation to generate income or profit from it.
Beattie (2017)

Beattie (2017) posits that the term _____ refers to something that is acquired with money with the expectation to generate income or profit from it.
Investment

There are _____ basic groups of investments
three

Beattie (2017) identified three basic groups of investments_____
ownership investment, lending investment, and cash investment

The nature of financial many investments can exhibit the following characteristics or features.
1. Earnings
2. Risk of Loss
3. Safety of Investment
4. Liquidity of Investment

The fundamental purpose of investment is to generate_____.
Earnings

Any form of investment is undertaken with the anticipation of making _____
returns

The _____ as an instance of earnings is measured by the disparity between original price of the investible product and current market of the product.
capital gain

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Investors normally desire higher level of returns but such returns are associated with riskier investments.
True

Financial products of high networth companies are regarded as _____ securities of their yields and high likelihood of safety.
blue chip

The _____ of banks are generally fraught with some risk of loss of the volatile nature of their operations.
Stocks

The _____ are generally fraught with some risk of loss of the volatile nature of their operations.
stocks of banks

The stocks of oil companies are of less risk of loss because of_____
their stable nature of operations

_____ refers to the protection or safety of the amount invested and the expected earnings.
Security of investment

_____ means the ease with which an investment can be converted into cash.
Liquidity

The _____ can always desire to convert the investment into physical cash in meeting urgent commitments.
investor

The ability of the investor to do so depends on_____
the level of liquidity of the financial asset being held

IPO means_____
initial public offer

_____ type of investment revolves around committing your funds in: capital market securities such as stocks (buying shares in companies through initial public offer (IPO) or stock brokers as dealers in stock exchange, subscribing to loan stocks of government and corporate bodies
Ownership investment

_____ are shares purchased as part ownership in companies.
Stocks

A _____ refers to a financial product which has its value dependent on the outcome of the original financial product as investment by the managers of the funds.
Derivative

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The money that is used in starting and running a business is an_____.
investment

The money that is used in starting and running a business is an investment.
True

Entrepreneurship is one of the hardest investments to make because_____
it requires more than just money

By creating a product or service and selling it to people who want it, entrepreneurs can make huge_____.
personal fortunes

By creating a _____ and selling it to people who want it, entrepreneurs can make huge personal fortunes.
product or service

_____ involves investment in buying or building houses, apartments and other landed property with the purpose of leasing them out.
Real estate

_____ involves subscribing and investing in debt instruments of corporate entities such as bonds and debentures.
Lending investments

_____ can incur loss by not getting their money back in the event of the firm being declared bankrupt.
Stockholders

_____ refer to money market financial instruments that are easily convertible to physical cash.
Marketable securities

According to Investopedia (2012), a _____ refers to short term debt obligation that is taken by the government through the apex bank.
Treasury bill (T-bill)

_____ are obligations of the government.
Treasury securities

_____ refers to the deployment of financial resources towards enhancing a person's income or increasing the level of earnings from investible products in the future.
Investment

The fundamental purpose of investment is_____
to generate earnings or any form of investment is normally undertaken with the anticipation of making returns

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The connotation of_____, as provided by the Cambridge Dictionary (2017), refers to the process of converting a new idea or technology into a business undertaking which can succeed and is invariably capable of attracting investors.
venture creation

_____ posits that venture creation refers to an action initiated for starting business venture with the intent of filling the gap between an initiative and a "capitalized business''.
Swier (2007)

Swier (2007) posits that _____ refers to an action initiated for starting business venture with the intent of filling the gap between an initiative and a "capitalized business''.
venture creation

Gordon (2012) posits that venture creation process is an outcome of two interrelated stages of "_____."
discovery and exploitation

_____ posits that venture creation process is an outcome of two interrelated stages of "discovery and exploitation."
Gordon (2012)

Swier (2007) observes that _____ involves a process just like a manufacturing process because venture creation process ideas coupled with necessary productive inputs such as human efforts and technology into desired products for the consumers.
venture creation

_____ involves developing business ideas which can be influenced by family and friends.
Idea formulation

_____ is regarded as the key stage in the new venture process.
Opportunity recognition

_____ involves stumbling on business opportunity and capitalizing on it to form business entity.
Opportunity recognition

Opportunity recognition is influenced by factors such as_____
role models, cultural attitudes to risk and failure, changing socio-economic and technical environments

_____ stage involves embarking on market research, scouting for finance, finding partners and social capital for the new venture.
Pre-start planning and development

_____ stage is embedded in "intellectual property rights process, timing and role of serendipity."
Establishment and launch

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_____ stage requires that the entrepreneur engage in necessary networks and taking appropriate steps for ensuring that the new venture gains credibility.
Post-entry development

The _____ involves an iterative process in which there are five phases
Hult Model

The Hult Model involves an iterative process in which there are _____phases
Five

The _____ represents the beginning of the new venture creation.
idea phase

During_____ stage, the potential entrepreneur will be interest in testing or discussing his/her business idea with the family, good friends and colleagues.
Test and persuasion phase

_____ phase requires that the entrepreneur engages in juggling figures (calculations), preparing relevant budgets, analyzing the market situation and invariably assessing the production process.
Preparation phase

_____ phase in the creation of the new venture usually calls for a starting point, "a triggering event" that encourages the entrepreneur towards finally implementing his/her business idea.
Start-up phase

During_____ phase, the entrepreneur is expected to have contacts for resources such as capital funds, personnel, and other productive inputs like technology, raw materials, business premises, machinery and equipment.
Ongoing business phase

Business concept creation incorporates the _____ stage of the venture creation process.
Opportunity

_____ involves converting a new idea or technology into a business undertaking, which is the foundation of the creation of any business venture by an entrepreneur.
Opportunity recognition stage

_____ implies that the stage involves the purchase and establishment of the required (production) technology for the operations of the business undertaking.
Technology set-up stage

_____ stage involves establishing the management structure of the venture with which to steer the affairs and ensure success and profitable operations of the business.
Organization stage

Swier (2007) succinctly observes that the most significant characteristic of a venture creation is the_____.

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Management

The _____ as identified in the opportunity stage leads to novel idea regarding the type of product to produce and offer to the potential consumers or customers.
Gap

_____ stage involves connecting with potential markets for the products of the venture.
Exchange stage

At_____ stage, information already generated from market research becomes very valuable.
Exchange stage

_____ stage involves generating information from the customers or users of your product (goods or services) regarding the performance; whether they are meeting their expectation or desires which motivate them to patronize such products.
Customer feedback stage

The _____ constitutes the driving force for the recognition of a venture idea.
Entrepreneur

The strategic role of the entrepreneur in creating a new venture revolves around the following responsibilities.
i) idea generation
Ii) developing a business plan:
Iii) generating required financial and material resources
Iv) establishing management for the venture
V) developing strategic plans for the future

An_____, as an industrialist, is regarded as a change agent in terms of acting to assume the risk inherent in the formation of a business venture.
entrepreneur

An entrepreneur, as_____ , is regarded as a change agent in terms of acting to assume the risk inherent in the formation of a business venture.
an industrialist

A crucial responsibility of the entrepreneur in venture creation involves_____
generating the needed financial and material resources for the new venture

In general terms, _____ in finance implies having to commit your money or to allocate your fund money in investible securities, financial instruments or all forms of business ventures (e.g., acquiring rental assets, estate undertaking, etc.) with the expectation of reaping some benefits in the future.
Investment

In finance, the major benefit from investment is the_____.
return on the fund invested

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A _____ buys undervalued securities while he sells overvalued ones out of his investment portfolio in the capital market.
value investor

A popular valuation metric is_____
earnings before interest, tax, depreciation and amortization (EBITDA)

_____ is regarded as one of the basic building blocks of a solid portfolio.
Investment diversification

_____ is associated with the cliché that you should "not put all your eggs in one basket."
Diversification

Diversification is associated with the cliché that you should_____
"not put all your eggs in one basket."

_____ is a technique that reduces risk by allocating investments among various financial instruments, industries and other categories.
diversification

_____ aims to maximize return by investing in different areas that would each react differently to the same event.
Diversification

There are mainly _____ types of risk that are associated with investment in the capital market.
two

There are mainly two types of risk that are associated with investment in the capital market. These are_____ .
systemic risk and unsystematic risk

_____ is associated with the firm's operations; causes of systematic risk include inflation rates, exchange rates, political instability, war and interest rates.
Systematic or the market risk

The **_____** risk is specific to a company, industry, market, economy or country; it can be reduced through diversification.
The unsystematic risk is specific to a company, industry, market, economy or country; it can be reduced through diversification.

The advantages of investment diversification include the following.
i) Risk Management
ii) Portfolio Optimization

Disadvantages of Diversification
i) Diversification Double Dip
ii) Diversification's Downside Danger

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An event that reduces any form of operations in the banking industry hurts Bank A and by extension its _____.
stock price

A combination of _____ will reduce your portfolio's sensitivity to market volatility.
asset classes

A combination of asset classes will reduce your portfolio's sensitivity to _____.
market volatility

A combination of asset classes will reduce your portfolio's sensitivity to market volatility.
True

One advantage of diversification is _____.
risk management

_____ is one of the essentials to successful investing.
Risk management

Risk management is one of the essentials to_____.
successful investing

_____ is achieved by placing a larger percentage of high return investments in a diversified portfolio.
Portfolio optimization

Diversification is the sort of thing that suffers from what is called "_____" because too much of a good thing can turn sour.
double dip

Diversification is the sort of thing that suffers from what is called "double dip" because _____
too much of a good thing can turn sour

The following are ways to avoid inappropriate diversification
i) Too many investments
ii) Buying foreign funds and stocks
iii) Diversifying based on market capitalization
iv) Buying illiquid and high-fee investments

A _____ is an investment which is undertaking in order to reduce the risk of adverse price movements in a financial asset.
Hedge

Normally, a _____ consists of taking an offsetting position in a related security, such as a futures contract.
Hedge

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A _____ is an investment position which is intended for use in offsetting potential losses or gains that may be incurred by a companion investment.
Hedge

A _____ is used to reduce any substantial losses that may occur in investment which has to do with financial assets in the capital market.
Hedge

A _____ is an investment position which is intended for use in offsetting potential losses or gains that may be incurred by a companion investment.
Hedge

A hedge can be constructed from many types of financial instruments, including stocks, exchange-traded funds, insurance, forward contracts, swaps, options, many types of over-the counter and derivative products, and futures contracts.

_____ is the practice of taking a position in one market to offset and balance against the risk adopted by assuming a position in a contrary or opposing market or investment.
Hedging

_____ in a portfolio can be hedged by taking an opposite position in futures.
Equity

Equity in a portfolio can be hedged by taking an _____ position in futures.
opposite

To protect your stock picking against systematic market risk_____
futures are shorted when equity is purchased or a long future when stock is shorted

The following are the advantages of hedging
i) Lower risk of investment
ii) Flexibility in its investment option
iii) Easily best managed investment fund
iv) Exposure to markets that can easily forecast future trends
v) Less volatile than individual stocks

The following are the disadvantages of hedging
i) Higher minimum investment amount required
ii) Higher risk
iii) Lower liquidity
iv) Mispricing
v) Short selling and margin calls
vi) Low regulation
vii) Lower risk management
viii) High management fees
ix) Management section bias

_____ refers to the practice of taking advantage of a price difference between two or more financial markets.

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Arbitrage

Arbitrage refers to the practice of taking _____ of a price difference between two or more financial markets.
advantage

Arbitrage refers to the practice of taking advantage of a _____ difference between two or more financial markets.
Price

Arbitrage refers to the practice of taking advantage of a _____between two or more financial markets.
price difference

Arbitrage refers to the practice of taking advantage of a price difference between two or more_____.
financial markets

Arbitrage refers to the practice of taking advantage of a price difference between two or more _____ markets.
Financial

_____ involves striking a combination of matching deals that capitalize upon the imbalance between the two financial markets, the profit being the difference between the two market prices.
Arbitrage

Basically, _____ is the possibility of a risk-free profit after transaction costs.
Arbitrage

Essentially, _____ may refer to the expected profit.
arbitrage

Essentially, arbitrage may refer to the expected _____
Profit

_____ requires that there be no market risk involved.
Accurate arbitrage

Accurate arbitrage requires that there be no _____ involved.
market risk

Banks and brokerage firms are called_____
arbitrageurs

Another way to invest wisely in financial market involves the use of _____
speculation

_____ can be useful toward making returns on your fund.

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Speculation

_____ in finance refers to the practice of engaging in risky financial transactions in an attempt to earn profit from short term fluctuations in the market value of a tradable financial instrument.
Speculation

The following are the advantages of speculation
i) Speculation can be used to mitigate risk in the underlying asset, by entering into a derivative contract whose value moves in the opposite direction to their underlying position and cancels part or all of it out.
ii) It can be used to create option ability where the value of the derivative is linked to a specific condition or event, for instance, the underlying asset reaching a specific price level.
iii) It can be used to access or gain exposure to the underlying asset where it is not possible to trade in the underlying.
iv) It provides some leverage or gearing such that a small movement in the underlying asset value can cause a large difference in the value of the derivative.
v) Speculation can be used to make a reasonable level of profit if the value of the underlying asset moves the way they expect; for instance, moves in a given direction, stays in or out of a specified range or reaches a certain level.
vi) It can be used to switch asset allocations between different asset classes without disturbing the underlying assets, as part of transition management of investment.
vii) It can be used to avoid paying taxes.

The following are the disadvantages of speculation
i) Speculation that goes wrong can wipe out a financial institution such a stock broking firm or bank such that a trader who engages in speculation will make the firm to incur enormous sum of money.
ii) Speculation can make an individual investor to become bankrupt in loosing enormous amount of money when a natural disaster occurs to destroy the underlying asset of the transaction.

LIBOR stands for_____
London Interbank Offer Rate

Conceptually, a _____ refers to a contract that originates its value from the performance of an underlying entity.
derivative

_____ constitute one of the three main categories of financial instruments, and the other two categories are stocks (such as equities or shares) and debt instruments such as bonds and mortgages
Derivatives

The assets as derivatives include_____
commodities, stocks, bonds, interest rates and currencies

_____ can be regarded as cash flows that are discounted to present value.
Financial derivatives

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There are distinct groups of derivative contracts such as highlighted below:
a) Privately traded over-the-counter (OTC) derivatives such as swaps that do not go through an exchange or other intermediary; and
b) Exchange-traded derivatives (ETD) that are traded through specialized derivatives exchanges or other exchanges.
c) Option products like interest rate swaps that provide the buyer the right, but not the obligation to enter the contract under the terms specified.

_____ broad types of derivative can be identified
Two

_____ derivatives are contracts that are transacted and privately sold directly between two parties, without going through any stock exchange or any other intermediary as far as the transaction is concerned.
Over-the-Counter

_____ derivatives refer to those derivatives as financial instruments that are transacted through specialized derivatives exchanges or other exchanges.
Exchange-traded

The _____ is the type of market in which individuals transact homogeneous contracts that have been defined by the exchange.
derivatives exchange

The largest derivatives exchanges in the world by volume of transactions include the following:
i) Korea Exchange, listing KOSPI Index Futures & Options
ii) Eurex listing a wide range of European products such as interest rate and index products;
iii) CME Group that comprises Chicago Mercantile Exchange, Chicago Board of Trade and New York Mercantile Exchange.

_____ type of derivative is a personalized contract between two parties in which payment takes place at a specific date in the future at today's pre-determined price as agreed upon by both parties.
Forwards

_____ are derivatives in which the contracts to buy or sell a specified asset on a future date at a price specified today.
Futures

_____ are contracts that offer the owner the right, but not the obligation, to buy, in respect of a call option or sell in respect of a put option, a specified asset.
Options

There are _____types of options contract.
Two

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_____ are derivatives in relation to options that are contracts which provide the owner the opportunity for an "all-or-nothing" profit from the contract.
Binary options

The _____ contracts exist on the basis of long-dated options which are generally transacted over the counter.
warrants

_____ derivatives refer to contracts which involve the exchange of cash (flows) on or before a specified future date.
Swap

Swaps are basically in _____categories
Two

_____ mainly necessitates swapping only the interest inherent in the cash flows using the same currency between the two parties.
Interest rate swap

Derivatives are used (Mengle, 2007) for the following transactional dimensions:
i) Hedge or mitigate risk in the underlying asset, by entering into a derivative contract whose value moves in the opposite direction to their underlying position and cancels part or all of it out
ii) Create option ability where the value of the derivative is linked to a specific condition or event, for instance, the underlying asset reaching a specific price level
iii) Obtain exposure to the underlying asset where it is not possible to trade in the underlying, for instance, weather derivatives
iv) Provide leverage (or gearing), such that a small movement in the underlying asset value can cause a large difference in the value of the derivative
v) Speculate and make a profit if the value of the underlying asset moves the way they expect (e.g. moves in a given direction, stays in or out of a specified range, reaches a certain level)
vi) Switch asset allocations between different asset classes without disturbing the underlying assets, as part of transition management; and
vii) Avoid paying taxes.

_____ involves investment which is aimed at diversifying your holdings beside stocks and bonds.
Investment in property

Any price appreciation of the property becomes a_____.
Bonus

_____ refers to a form of asset that has some relative limited liquidity when compared to other forms of investment.
Real estate

Investment in real estate involves investment in_____.
Property

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The most visible channels through which information on investment in properties can be obtained include the following:
(i) Market listings
(ii) Property Magazines
(iii) Estate Agency Services
(iv) Mortgage Banks and other Banks
(v) Public Auction
(vi) Public Information on Private sales
(vii) Real estate Speculators

_____ involves Listing Service, Commercial Information Exchange or publications in the media.
Market listings

The agency services are being provided by the_____
Real estate agents and Real estate brokers

_____ are specifically created to provide information and also facilitate investment in real estate.
Mortgage banks

_____ involves announcements by the auctioneers regarding the sale of landed properties or estates in some choice locations in a specific country or other countries around the world.
Public auction

_____ are regarded as intermediaries who profit from transactions on landed properties without taking possession of such properties.
Real estate speculators

_____ refers to the summation of all positive cash inflows from rents and other sources of ordinary income generated by a property, then minus the amount of ongoing expenses such as maintenance, utilities, fees, taxes, and other operating costs.
Net operating income

_____ refers to the increase in the investor's equity ratio as the portion of debt service payments devoted to principal accrue over time.
Equity build-up

_____ refers to the rise in the prevailing price (market value) of the property over a period of time, being realized as a cash inflow whenever the property is sold.
Capital appreciation

Gold as a precious metal in the commodity market drives most dealings because of its attractive for reasons such as _____
being reliable, dependable metal with conveyable value

OPEC means_____
Organization of Petroleum Exporting Countries

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According to Investopedia (2017), types of commodities that are for dealing in commodities markets include the following categories:
1) Metals:- these include gold, silver. platinum, diamond, and copper;
2) Energy:- these include crude oil, heating oil, natural gas and gasoline;
3) Livestock and Meat:- these include lean hogs, pork bellies, live cattle and feeder cattle; and
4) Agricultural:- these include corn, soybeans, wheat, rice, cocoa, coffee, cotton and sugar.

ETF means_____
Exchange Traded Funds

ETN means_____
Exchange Traded Notes

The capital structure is made up of _____parts.
Two

_____ refer to funds which have to be secured from outside sources such as commercial banks, microfinance banks, private lenders, and cooperative societies, among others.
Debts

_____ refers to the owners‟ contribution to the capital funding of the business.
Equity capital

Equity capital refers to the owners‟ contribution to the capital funding of the business. Such contribution is normally in form of shareholding called_____.
ordinary shares

The _____ is assets (a financial asset) that are traded at will.
ordinary share

_____ refers to the amount of funds in the structure of the capital that is borrowed from outside sources of financing.
Debt capital

The _____ shares are debt instruments in a firm.
preference

_____ are long term debt securities normally offered for public subscription.
Debentures

Debentures are mostly sold either at premium or at discount.
True

_____ are sometimes issued with stock warrants attached.
Bonds

Bonds are sometimes issued with _____ attached.
stock warrants

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_____ are long-term loans that are secured by real property
Mortgages

_____ are used to finance real estate for business purposes, such as office buildings and shopping malls.
Commercial mortgages

_____ refers to the loan facility being granted by commercial banks which is meant to be used in the operations of the business for a period of time in years.
Bank Term Loan

_____ is a form of private equity that involves financing being provided by firms which engages in such form of funding businesses.
Venture capital (VC)

The following are the advantages of venture capital financing
1. Venture capital fund enhances the growth of new business startups for the fund provided that is purely private equity in nature.
2. Venture capital funding does not constitute any regular financial obligations for the firm because it is not a debt financing.
3. The venture capital framework can also be used by both private and public sectors in establishing an institution that can systematically create business networks for the new firms and industries.
4. The institutional setup can aid in identify promising new firms and thereby offer them with needed funding.
5. The venture capital firms usually provide technical expertise, mentoring, marketing expertise, and business models.
6. The venture capital scheme ensures successful operations of the companies in which the capitalists invest their funds.
7. Venture capital schemes can turn into channels for networks in designing and building products in their domain.

The venture capitalists are normally interested in companies having the qualities which they desire seek. And such qualities include the following:
i) a solid business plan
ii) a good management team
iii) investment and passion from the founders
iv) a good potential to exit the investment before the end of their funding cycle
v) a minimum returns in excess of forty percent annually

Basically, _____ stages are involved in venture round financing being provided by venture capitalists.
Six

_____ is the earliest round of financing needed to prove a new idea, often provided by angel investors.
Seed funding

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_____ involves the early stage firms that need funding for expenses associated with marketing and product development.
Start-up

_____ involves early sales and manufacturing funds.
Growth (Series A round)

_____ involves provision of working capital for early stage companies that are selling product, but not yet making profits.
Second-round

_____ is regarded as mezzanine financing.
Expansion

_____ is provided when a startup seeks funding in between full venture capital rounds.
Bridge financing

The sole purpose of _____is for the firm concerned to raise smaller amount of money instead of a full round and usually the existing investors participate.
Bridge financing

_____ is regarded as the creations of the intellect for which a monopoly is granted to the designated owners by law.
Intellectual property

By implication, _____constitute the rights conferred on the creators of intellectual property.
intellectual property rights

_____ , according to World Intellectual Property Organization (2017), refers to creations of the mind like inventions, literary and artistic works, designs, symbols, names and images that are used in the world of commerce.
Intellectual property

According to The Free Dictionary (2017), _____ refers to the intangible rights protecting the products of human intelligence and creation like copyrightable works, patented inventions, trademarks, and trade secrets.
intellectual property

_____ is a term that is used to describe a wide variety of property created by musicians, authors, artists, and inventors.
Intellectual property

The law of intellectual property essentially includes laws on intangibles such as copyrights, patents, and trademarks law, which is for the purpose of encouraging the development of art, science, intellectual ideas, and information technology.

Some facts of law in relation to the intellectual property (The Free Dictionary, 2017) are as highlighted below.

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i) Intellectual property laws are not in the category of criminal law jurisdiction per se. However, some copyright laws authorize criminal penalties.
ii) Although the body of intellectual property law is concerned with prevention and compensation, both of which are in the realm of civil matters. It implies therefore, that the owner and not the government, is responsible for enforcement.
iii) Intellectual property laws provide the owners with the power to enforce their property rights in civil court.
iv) Such laws provide for damages when in the cases of unauthorized use or misuse
v) Such laws also provide for injunctions, or court orders, to prevent unauthorized use or misuse of the rights.

_____ rights are exclusive for ten years
Trademark

Trademark rights are exclusive for _____ years
Ten

According to WIPO (2017), _____ involves a legal term that is used to describe the rights that creators have over their literary and artistic works.
Copyright

_____ is said to occur whenever someone exercises the exclusive rights of the copyright owner without the owner's permission.
Infringement of copyright

There are some exclusive rights (The Free Dictionary, 2017) that are conferred in copyright protection, on the copyright holder are as presented below.
(i) Reproduce the copyrighted work
(ii) Create derivative works from the work
(iii) Distribute copies of the work
(iv) Perform the work publicly
(v) Display the work

A_____, according to WIPO (2017) refers to an exclusive right conferred on an inventor for his invention.
Patent

The term_____, according to WIPO (2017), refers to a sign capable of distinguishing the goods or services of one enterprise from those of other enterprises.
Trademark

_____, according to The Free Dictionary (2017), allow businesses to protect the symbolic information that relates to their goods and services, by preventing the use of such features by competitors.
Trademark laws

_____ generally applies to any coined or fanciful word or term that does not closely resemble an existing mark.
Distinctiveness

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_____ occurs if a mark is likely to cause confusion among consumers.
Infringement

_____ refers to any formula, pattern, device, or compilation of information that provides a business advantage over competitors who do not use or know of it.
Trade secret

An _____ constitutes the ornamental or aesthetic aspect of an article.
industrial design

_____ view is based on Locke's exposition that a person has a natural right over the labour and/or products which is produced by his/her body.
Natural Rights/Justice Argument

_____ view is hinged on basis of argument by Hegel.
Personality Argument

_____ argued that "Every man has the right to turn his will upon a thing or make the thing an object of his will, that is to say, to set aside the mere thing and recreate it as his own".
Hegel

According to Encyclopedia of Business Terms (2007), _____refer to some payments that are made by one company (the licensee) to another company (the licensor) in exchange for the right to use intellectual property (or physical assets), which are owned by the licensor.
Royalties

A _____ (Investopedia, 2017) refers to the payment to the holder of a right or owner of an asset for the using the property.
Royalty

The _____ exists for the purpose of mobilization and intermediation of fund.
financial market

The financial market exists for the purpose of mobilization and intermediation of_____.
Fund

_____ describes the ability to convert an asset into cash with relative ease while not significantly depressing its price in the process.
Liquidity

_____ is the risk of non-payment of principal or interest, which must be minimal in order for the security to be considered a safe haven for excess liquidity.
Default risk

_____ is given that adverse price movements attributable to interest rate changes are smaller for shorter-term assets, which helps ensure that interest rate changes will not affect the security's market value materially.
Short time to maturity

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_____ are obligations of the government.
Treasury securities

_____ are short-term obligations of the government with original maturities of 1 year or less.
Treasury securities

Federal funds are not formal securities.
True

_____ is an agreement between buyer and seller in the sale of securities to reverse the transaction in the future at a specified date and price.
Repurchase agreement (repo)

_____ is a financial instrument issued by a bank documenting a deposit, with principal and interest repayable to the bearer at a specified future date.
Negotiable certificates of deposit

_____ is a time draft or postdated instrument payable to a seller of goods, with payment guaranteed by a bank.
Banker's acceptance

The _____ is a unit of capital ownership in a firm in terms of equity investment by the shareholders.
ordinary share

The _____ are debt instruments in a firm.
preference shares

_____ are long-term loans that are secured by real property.
Mortgages

_____ can be realized from investment assets such as real estate, bonds, and stocks, among others.
Cash inflow

There are some principles which serve as best practices in capital gains investing. Such principles are as follows:
i) Sell the stock not just because the value of the share has appreciated.
ii) Do not sell a particular stock just because the market suffers downturn.
iii) Do not engage in speculation.
iv) Engage in personal research a lot and only buy a few stocks at the same time, and try to diversify your investment portfolio.
v) When you are investing for capital gains, you should ensure that you have a positive cash flow.

_____ is the art of buying and selling an asset for a profit such as profit realized from buying a stock and sell it at a higher price per share.

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Capital gains investing

There are many methods of saving that include the following
i) Putting money aside in a savings account
ii) Reserving money in deposit account
iii) Setting money aside in a pension account regularly
iv) Committing money into an investment fund
v) Putting money into cooperative fund

_____ is regarded as the practice of reducing personal expenditures, such as recurring costs.
Saving

_____ motive involves a desire to hold cash in order to be able to deal effectively with unexpected events that require cash outlay.
Precautionary motive

_____ refers to the desire of individuals to keep cash balance as an alternative to financial assets such as bonds.
Speculative motive

_____ motive for holding cash is associated with the speculative motive but it entails more than the latter.
Portfolio motive

The main reasons for building personal cash flows include the following motives.
i) Precautionary motive
ii) Transaction motive
iii) Speculative motive
iv) Portfolio motive

_____ refers to the financial management which an individual or a family unit performs with which to budget, save, and spend monetary resources over time.
Personal finance planning

There are _____ steps involved in personal financial planning process.
five

The following are steps involved in personal financial planning process.
1) Assessment
2) Goal setting
3) Plan Creation
4) Execution
5) Monitoring and reassessment

Spending decisions are not to be based on _____ reasons.
emotional

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A _____ is a kind of bank account held at a retail bank or other designated bank that pays interest but cannot be used directly as money in the narrow sense of a medium of exchange, for example, by writing a cheque.
savings account

_____ refers to a bank account on which interest is paid.
Savings account

NDIC means_____
National Deposit Insurance Corporation

The advantages of saving account include the following.
i) Savings accounts are easy to obtain because they generally do not require much formalities such as referees.
ii) They are a safe way to store money in a bank instead of keeping the cash under the mattress or inside the pillows.
iii) They often attract some small amount of interest on the money deposited in the accounts.
iv) The interest payable generally for savings account is more than that of current accounts (checking accounts), if at all it attracts any interests, or money market instruments.
v) Savings account encourages savings habit among salary earners and others who have fixed income or transfer earnings.
vi) It enables the depositor to earn income by way of saving bank interest.
vii) Savings account helps the depositor to make payment by way of transfers or issuing cheques where available.
viii) It shows total income of salary earners and other persons who are savers during the year.
ix) Savings account passbook acts as an identity and residential proof of the account holder.
x) It provides a facility such as Electronic fund transfer (EFT) to other people's accounts.
xi) It aids to keep records of all online transactions carried out by the account holder.
xii) It provides immediate funds as and when required through ATM.

The disadvantages of saving account include the following.
i) The liquidity of a savings account as one of its key benefits also makes the funds too readily available, which could tempt you to spend them.
ii) Savings account attracts payment of lower interest rates than the current account.
iii) Savings account is not ideal for use in keeping funds over a long period of time unlike the fixed deposit accounts.
iv) Savings account is not associated with the chequeing system in most cases because only a few banks provide cheques for savings accounts.
v) Some banks may introduce restrictions on withdrawals and the least balance to be maintained in savings accounts.

_____ refers to a bank account opened with a deposit of liquid funds and without having a given maturity date.
Savings account

_____ are used by individuals and businesses around the world as a means of storing their liquid funds for future use.
Savings accounts

_____ are usually reserved for those who have much money such as wealthy individuals, high networth individuals, institutions, businesses and corporate entities.
Current accounts

COT means_____
Commission On Turnover

FDIC means_____
Federal Deposit Insurance Corporation

The main features of savings account in bank include the following.
i) The main objective of saving account is to promote savings.
ii) There is no restriction on the number and amount of deposits.
iii) Withdrawals are allowed subject to certain restrictions in some instances.
iv) The money can be withdrawn either by withdrawal slip or cheque of the respective bank.
v) The rate of interest payable is very nominal on saving accounts. At present it is between 2% to 5% per annum, on the average, in Nigeria.
vi) Saving account is of continuing nature. There is no maximum period of holding.
vii)A minimum amount is required, by some banks, to be kept in savings account to keep it functioning.
viii) There is no loan facility associated with savings account.
ix) Electronic clearing System (ECS) or E-Banking is available which with effect payment for electricity bill, telephone bill and other routine household expenses.
x) Generally, equated monthly installments (EMI) for housing loan, personal loan, car loan, etc., are paid (routed) through saving bank account.

A _____ is premeditated to cover a financial shortfall with which to take care of an unexpected financial commitment in the foreseeable future.
contingency or emergency fund

Contingency fund can be categorized into two main areas such as_____.
short-term and long-term

The _____ is the type of fund that is invested just for a few days before being liquidated.
Short-term contingency fund

A _____ allows you to save for large-scale emergencies occasioned by events such as loss of job and major natural disaster like an earthquake or fire, and thereby earn a slightly higher level of interest.
long-term emergency fund

Some situations that constitute true emergencies might include the following events.
i) Health related emergency
ii) Need to travel or finance other arrangements
iii) Major unexpected car repairs
iv) Failure of a major appliance
v) Large and unexpected home repairs

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The following are the essential qualities of contingency fund
1. Low Risk
2. Liquidity
3. Accessibility

_____ represents how quickly your assets can be converted to usable cash.
Liquidity

_____ refers to a means with which take protection from financial loss in business generally.
Insurance

_____ refers to any situation which involves uncertainty about what outcome will occur.
Risk

The insured who takes a policy by receiving an insurance contract is known as _____
insurance policy

The following are the legal principles of insurance contract
1. Indemnity
2. Insurable interest
3. Utmost good faith
4. Contribution
5. Subrogation
6. Proximate cause

Utmost good faith is also known as_____
uberima fides

_____ implies that all classes of risks insured with insurance company are shared between insurers or insurance companies.
Co-insurance

_____ implies that risks having two or more policies with same coverage would not pay separately, that is on individual policies; a concept called contribution.
Dual insurance

_____ refers to situations where companies or organizations retain their risk management in the operations of their business or entities without the need to transfer it to insurance companies.
Self-insurance

_____ implies circumstances in which the magnitude of risk insured against by some companies is too high for a single insurance company to bear.
Reinsurance

The following are the fundamental characteristics of insurable risks
1. Large number of similar exposure units
2. Definite loss

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3. Accidental loss
4. Large loss
5. Affordable premium
6. Calculable loss
7. Limited risk of catastrophically large losses

_____ insurance protects the policyholders against financial loss in the event of an incident involving a vehicle they own, such as in a traffic collision.
Automobile

_____ insurance covers the excess amount on a auto loan in an instance where your insurance company does not cover the entire loan.
Gap

_____ provide financial support in the event of the policy holders becoming unable to work because of disabling illness or injury.
Disability insurance policies

_____ insurance policies provide financial support in the event of the policy holders becoming unable to work because of disabling illness or injury.
Disability

_____ insurance covers an individual's expenses for the long term, up until such time as they are considered permanently disabled and thereafter
Long-term disability

_____ covers an individual's expenses for the long term, up until such time as they are considered permanently disabled and thereafter
Long-term disability insurance

_____ provides benefits when a person is permanently disabled and can no longer work in their profession, often taken as an adjunct to life insurance.
Total disability insurance

Total disability insurance provides benefits when_____
A person is permanently disabled and can no longer work in their profession, often taken as an adjunct to life insurance

_____ replaces all or part of a worker's wages lost and accompanying medical expenses incurred because of a job-related injury.
Workers' compensation insurance

_____ insurance is a policy that insures against accidents, not necessarily tied to any specific property.
Casualty.

Casualty insurance is a policy that_____
insures against accidents, not necessarily tied to any specific property.

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_____ is a form of casualty insurance that covers the policyholder against losses arising from the criminal acts of third parties.
Crime insurance

_____ is a policy that provides protection against any loss or damage caused by terrorist activities.
Terrorism Insurance

_____ insurance is designed to protect individuals and corporations operating in high-risk areas around the world against the perils of kidnap, extortion, wrongful detention and hijacking
Kidnap and ransom

_____ insurance is a form of casualty insurance that can be taken out by businesses with operations in countries in which there is a risk that revolution or other political conditions could result in a loss.
Political risk

_____ provides a monetary benefit to a decedent's family or other designated beneficiary.
Life assurance policy

_____ provides protection against risks to property, such as fire, theft or weather damage.
Property insurance

_____ and_____ insurance cover the loss or damage of vessels at sea or on inland waterways, and of cargo in transit, regardless of the method of transit.
Marine insurance and marine cargo

_____ and marine cargo insurance cover the loss or damage of vessels at sea or on inland waterways, and of cargo in transit, regardless of the method of transit.
Marine insurance

Marine insurance and _____ cover the loss or damage of vessels at sea or on inland waterways, and of cargo in transit, regardless of the method of transit.
marine cargo insurance

_____ insures property (primarily vehicles) held as collateral for loans made by lending institutions.
Collateral protection insurance (CPI)

CPI means_____
Collateral Protection Insurance

_____ has been defined as ‘’a monetary charge imposed by the Government on persons, entities, transactions and properties to yield revenue‟.
Tax

Tax has been defined as _____

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a monetary charge imposed by the Government on persons, entities, transactions and properties to yield revenue

_____ is a powerful tool for achieving economic and social policy objectives of government and a means of transferring resources from the private to the public sector.
Tax

_____ is a compulsory exaction from a taxpayer paid in cash or in kind to the government to provide for the public services of common interest without particular regard to the particular benefit received by the taxpayer.
Tax

The following are objectives of a Tax System
i) To promote fiscal responsibility and accountability
ii) To facilitate economic growth and development
iii) To provide the government with stable resources for the provision of public goods and services
iv) To address inequalities in income distribution
v) To provide economic stabilization
vi) To correct market failures or imperfections

VAT means_____
Value Added Tax

PAYE means_____
Pay As You Earn

Taxes/Levies collective by local government
i. Shops and kiosks rates
ii. On and of liquor license
iii. Slaughter slab fees
iv. Marriage, birth and death registration fees

The _____ is a document which sets broad parameters for taxation and ancillary matters connected with taxation.
National Tax Policy

The objectives of the National Tax Policy are_____
to address the myriad of problems bedeviling the Nigerian tax system

The tax system, as envisaged by the National Tax Policy, is expected to meet the following objectives:
i) To promote fiscal responsibility and accountability
ii) To facilitate economic growth and development
iii) To provide the government with stable resources for the provision of public goods and services
iv) To address inequalities in income distribution.
v) To provide economic stabilization.
vi) To pursue fairness and equity.

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vii) To correct market failures.

_____ is a compulsory levy designed to generate revenue for public expenditure including infrastructure.
Tax

According to economists, investment is regarded as savings embarked upon as a result of _____
delayed consumption

Investment requires _____ which implies that funds will have to be expended by the person who is investing.
financial commitments

Arbitrage refers to the practices of taking advantage of a price _____ between two or more financial market
difference

In finance, an investment involves utilization of funds in acquisition of _____assets
financial

_____ is regarded as a monetary charge imposed by the government on persons, entities, transactions and properties to yield revenue
Tax

Financial products floated by the government of a country are known as _____ securities
gilt-edge

Financial products of high networth companies are regarded as _____ securities
blue chip

Equity capital refers to the _____ contribution
Owner's

_____ means the ease with which an investment can be converted into cash
Liquidity

A _____ refers to a financial product which has its value dependent on the outcome of the original financial product as investment by the managers of the funds.
derivative

Co-operative society as an aggregation of co-operators who_____ their funds together through regular saving
pooled

Derivative instruments can be traded over the counter
True

Owning a current and savings account have the same requirements

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False

The fundamental purpose of investment is to generate _____
Earnings

The individual or entity who subscribe to insurance policy against rises is called _____
policy holder

Beta neutral approach is one way to_____
hedge

Investment is regarded as saving embarked upon as a result of
Debuted consumption

Real estate _____ is another means of ensuring investment in real estate with some sort of raising equity financing in smaller amount
crowding fund

Brokerage is another word for_____
Arbitrageur

The payment to the holder of a right or owner of an asset for the using the property is called what?
Royalties

Portfolio optimization is achieved by placing a larger percentage of high return investment in a_____
Diversified portfolio

Beta is the historical correlation between a stock and an_____
index

Prevailing Price of Stock less Original price is equals to _____
earning

In venture capital, you do not need to formulate an idea, the idea is already there for you to just take.
False

_____ provides some leverage or gearing such that a small movement in the underlying asset value can cause a large difference in the value of the derivative
Speculation

T-bills normal have a maturity date less than _____ year(s)
One

What type of derivative is a personalized contract between two parties in which payment takes place at a specific date in the future at today's pre-determined price as agreed upon by both parties?

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Forwards

_____portfolio is a situation where investor who is willing to take a given amount of risk can invest more aggressively with a property
Non-diversified

Hedging is the practice of taking a_____ in one market of offset and balance against the risk adopted by assuming a position in a contrary market.
Position

_____ are derivatives in which the contracts to buy or sell a specified asset on a future date at a price specified today
Futures

_____ is when the buyer has a right to buy a certain quantity of the underlying asset, at a specified price on or before a given date in the future, but he has no obligation to carry out this right
Call option

_____ is a contract in which the buyer has the right to sell a certain quantity of an underlying asset, at a specified price on or before a given date in the future, but he has no obligation to carry out this right.
Put option

_____ are derivatives in relation to options that are contracts which provide the owner the opportunity for an "all-or-nothing" profit from the contract
Binary options

_____ derivatives refer to contracts which involve the exchange of cash (flows) on or before a specified future date
Swap

_____is provided is when a startup seeks funding in between full venture capital rounds
Bridge financing

_____ derivatives refer to contracts which involve the exchange of cash (flows) on or before a specified future date
Swaps

The main objective of saving account is to promote _____
Savings

Which of the following is not a type of commodity for investment?
None of the options

_____ refers to the process of converting a new idea or technology into a business undertaking which can succeed and is invariably capable of attracting investors.
Venture creation

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_____ investment involves buying undervalued securities while selling overvalued ones out of the investment portfolio in the capital market
Value

_____ is an investment which is undertaking in order to reduce the risk of adverse price movements in a financial asset
A hedge

_____ is a technique that reduces risk by allocating investments among various financial instruments, industries and other categories
Diversification

Brokerage is another word for_____
Arbitrageur

_____ is a type of tax
PAYE

According Gardon (_____), there is a remarked difference between capital gains investing and the game of speculation
2014

_____ are options to purchase common stock at a specified price up to a specified date
Warrants

This is a time draft or postdated instrument payable to a seller of goods, with payment guaranteed by a bank
Banker's acceptance

According Gardon (2014), there is a remarked _____ between capital gains investing and the game of speculation
Difference

A hedge can be constructed from many types of_____
financial instruments

_____ refers to a means with which take protection from financial loss in business generally
Insurance

Under the current Nigerian law, taxation is enforced by the which tier of government (a) one (b) five (c) six (d) three
three

Safety of investment can always be guaranteed
False

Subrogation is the legal principles of _____
Insurance

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Missing one of the legs of the trade and subsequently having to trade it soon after at a worse price is called_____
execution risk

The _____ is a document which sets broad parameters for taxation and ancillary matters connected with taxation
National Tax Policy

_____investing is the art of buying and selling an asset for a profit
Capital gains

Building personal cash flows essential involves the act of saving money towards maintaining cash reserves for future _____
Utilization

_____ refers to the practice of taking advantage of a price difference between two or more financial markets
Arbitrage

_____ involves contracts that subsist between two parties, which incorporate specific terms
Derivatives

A popular valuation metric is_____ with application for example to valuing unlisted companies and mergers and acquisition
EBITDA

_____ repays some or all of a loan when the borrower is insolvent
Credit insurance

According to economists, equipment acquired by a firm for production with which to earn income from its operations in the long run is a/an _____
Investment

Tax is a monetary levy imposed on individuals to generate revenue for who?
The government

_____ products can be used for: insuring against price movements such as in the case of hedging; guiding against exposure to price movements for speculation
Derivative

Contingency fund can be categorized into _____main areas
2

_____ is associated with the cliché that you should "not put all your eggs in one basket."
Diversification

There are mainly _____ types of risk that are associated with investment in the capital market
Two

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_____is one of the hardest investments to make because it requires more than just money
Entrepreneurship

The steps involved in personal financial planning process Include all of the following except _____
Goal division

The essence of investment hinges on _____ returns
Expected

Another way to _____ is the market approach
hedge

Investment requires_____ which implies that funds will have to be expended by the person who is investing.
financial commitments

Arbitrage refers to the practices of taking advantage of a price _____ between two or more financial market
Difference

Lower risk of investment lowers the risk of an _____significantly
investment

Another way to invest wisely in_____ involves the use of speculation
financial market

In speculation, dealer in _____ market pay little attention
Financial

The real estate market are well structured as comparable to _____ market
Financial

Equity capital refers to the _____ contribution
owners

Real estate _____ can be risky in nature, as a form of investment
Investment

Derivative refers to contract that _____ its value forms the performance of an underlying entity
Originates

Co-operative society as an aggregation of co-operators who_____ their funds together through regular saving
pooled

_____ refers to one part of one's assets, usually deposits in savings account

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Savings

Cash flow involves generating regular income from _____ assets
Investment

_____can also be done with thrifts and credit society or a cooperative society
Saving

Capital gains are generated from an appreciation on the value of _____ assets
Investment

In_____ securities are traded as short term instrument
money market

There is a remarked difference between _____ gains investing and speculation
Capital

_____ is another means of ensuring investment in real estate with some sort of raising equity financing in smaller amount
Real estate crowding fund

Money market is the financial market in which_____ are traded with maturity of up to one year
financial instrument

Maturities exceed for _____ year
one year

Work of _____is types under intellectual property
Art

When maturities exceed_____ years the market is considered as a Capital market
Five

_____ is the exclusive right of the copy right holder.
fair use

_____ refers to some payment that are made by one company to another company in exchange for the right to use intellectual property
Royalties

_____separating system is intellectual property that qualifies for royalty
Windows

T-bill normal has a maturity date of some month but less than _____ year
One

Marketable securities refers to money market_____ instrument
Financial

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_____portfolio is a situation where investor who is willing to take a given amount of risk can invest more aggressively with a property
non-diversified

Hedging is the practice of taking a_____ in one market of offset and balance against the risk adopted by assuming a position in a contrary market.
Position

_____is missing one of the legs of the trade and subsequently having to trade it soon after at a worse price
execution risk

It is advisable to use a _____ investment when making a large investment,
Hedge

Under the current Nigerian law, taxation is enforced by the _____ tiers of government
Three

Hedging investor is an _____which is undertaking in order to reduce the risk if adverse price movement in a financial asset
Investment

It is advisable to engage services of _____ since they are professionals in such market
brokerage firms

The term _____ is fraught with many definitions but such expositions recognize the fact that investment requirements financial commitments which implies that funds will have to be expended by the person who is investing
investment

The individual or entity who subscribe to insurance policy against rises is called _____
Policy holder

Betaneutral approach is one way to_____
Hedge

Investment is regarded as saving embarked upon as a result of_____
Debuted consumption

Investment is done with the intention of generating_____
Higher Return

Hedging is strategy that can be used to take advantages of wise_____
investment

Consumer can be used in other way such as_____
Hedging

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Missing one of the legs of the trade and subsequently having to trade it soon after at a wise price is called_____
Execution risk

Crowding fund in very much practice in U.S_____
Real Estate

The payment to the holder of a right or owner of an asset for the using the property
Royalties

Diversification is the sort of thing that suffers from what is called_____
Double Dip

Beta is the historical correlation between a stock and a/an_____
Index

A hedge can be constructed from many types of_____
Financial instruments

A document which sets broad parameters for taxation and ancillary matters connected with taxation is called _____
The National Tax Policy

Under the current Nigerian law, taxation is enforced by the which tier of government (a) one (b) five (c) six (d) three
Three

The individual or entity who subscribe to insurance policy against rises is the _____ or _____
Insured or policy holder

Subrogation is the legal, principles of_____
Insurance

Missing one of the legs of the trade and subsequently having to trade it soon after at a worse price is called_____
Execution Risk

When you are making a large investment, it is advisable to us_____
Hedge

A monetary charge imposed by the government on person, entities transaction and properties to yield revenue is called_____
Tax

The practice of taking a position in one market of offset and balance against the risk adopted by assuming a position in a contrary or opposing market or investment marketer
Hedging

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In respect of hedging as stock price a common hedging technique used in the financial market for equity technique
Long/Short

The historical correlation between a stock and an index is called_____
Beta

Charge imposed by the government on person, entities transaction and properties to yield revenue is known as_____
Monetary

The document which sets broad parameters for taxation and ancillary matters connected with taxation is known as_____
The national tax policy

What are professionals in investment market called?
Brokerage Firms

The reduction in volatility of financial assets price movements is known as_____
Diversification

Property regarded as the creations of the intellect for which a monopoly is granted to the designated owner by law.
Intellectual

A unit of capital ownership in a firm in terms of equity investment by the shareholder
The ordinary share

Which of the methods can be useful toward marking return on your fund?
Speculation

Which of the following method is used economical by reserving money for future use?
Saving

What can be used to avoid paying taxes?
Speculation

Which of the following usually buy undervalued securities?
Risker investor

Which of the following is the legal principles of insurance.
Subrogation

According to economists, Investment is regarded as savings embarked upon as a result of_____
Delayed consumption

In finance, an investment involves utilization of funds in acquisition of financial assets such as financial securities and _____

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Real property

The fundamental purpose of investment is to generate_____
Earnings

Usually, higher level-of-return investments are associated with higher _____
Risks

Liquidity means the ease with wish an investment can be converted into _____
Cash

A derivatives refers to a financial product which has its value dependent on the outcome of the original_____
Financial Product

An investment that involves buying or building houses, apartments and other landed property is referred to as investment in _____
Real Estate

_____ involves subscribing and investing in debt instrument of corporate entities such as bonds debentures.
Lending Investments

_____ is the process of converting a new idea or technology into a business undertaking.
Venture creation

A value investor buys undervalued securities while he sells_____ out of his investment portfolio in the capital market.
Overvalued securities

Diversification is a technique that reduces_____ by allocating investments among various financial instruments.
Risk

One advantage of diversification is_____
Risk management

_____ is an investment which is undertaking in order to reduce the risk of adverse price movement in financial asset.
Hedge

The main advantage of the hedge is that it lowers the risk of an_____
Investment

_____ Is the practice of taking advantage of a price difference between two or more financial markets
Arbitrage

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_____ in finance refer to the practice of engaging in risky financial transactions in an attempt to earn profit from short term fluctuations in the market value of a tradable financial instrument.
Speculation

_____ involves contracts that subsist between two parties, which incorporate specific terms like Dates and Maturing values.
Derivatives

_____ derivatives are contracts that are transacted and privately sold directly between two parties, without going through any stock exchange.
Over-the-Counter

Personalise contract between two parties in which payment takes place at specific date in the future at today's pre-determined price is known as_____
Forwards

Futures are derivatives in which the contracts to buy or sell a specific asset on a future date at a price _____
Specified today

_____ refers to a form of investment that has some relative limited liquidity when compared to other forms of investment
Real estate

Real estate investment can be _____ because of magnitude of fund requirement.
Capital intensive

One factor that can make real estate investment to result in failure is the absence of_____
Due diligence

The practice where depreciation, tax liability and carryover losses are charged against income from other sources for a period of about three decades is called_____
Tax shelter offsets

The summation of all positive cash inflows from rent and other sources of ordinary income generated by a property, minus the amount of ongoing expenses is known as_____
Net operating income

_____ refers to the increase in the investor's equity ratio as the portion of debt service payments devoted to principal accrue over time.
Equity build-up

The rise in the prevailing price (market value) of a property over a period of time, being realized as a cash inflow whenever the property is sold is called_____
Capital appreciation

A property in the possession of a buyer can become a foreclosure if he or she fails to make a mortgage payment for at least_____

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Three months

A common name for Gold, Silver, Platinum, Diamond and Copper is_____
Metal

_____ refers to the owners' contribution to the capital funding of the business
Equity capital

_____ refers to the amount of funds in the structure of the capital that is borrowed from outside sources of financing.
Debt capital

_____ stages are involved in venture round financing being provided by venture capitalists.
Six

Preference shares attract fixed rate of_____
Dividends

_____ property is regarded as the creations of the intellect for which a monopoly is granted to the designated owners by law.
Intellectual

_____ market exists for the purpose of mobilization and intermediation of fund.
Financial

Which of the followings is a money market instrument?
Debentures

The money market is a market for_____
Long Term Debt Instrument

The two sections that make up the Financial market are_____
Capital market and Stock market

The market for long term credit is_____
Money market

Which of the following instrument is not traded in the Capita market?
Ordinary Shares

Capital gains are generated from an appreciation on the value of_____
Purchased Assets

The maturity period for Treasury bills is_____
30 days

Mortgages are long term loans that are secured by_____
Financial Assets

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In property investment, a large portion of purchase price is through debt instrument such as:
Micro Credit

Capital gains investing is the art of buying and selling an assets for_____
A loss

The different methods of saving money is classified into_____
Two

Which of the following is not a reason for building personal cash flow?
Transaction motive

Personal Financial planning process involves _____ steps
Two steps

Which of the following is not a step in personal financial planning process?
Assessment

Which of the following accounts attracts interest payment to the account holder?
Current account

The_____ account attracts commission on turnover (COT).
Savings

Savings accounts holders are restricted in withdrawing their money by leaving_____
Maximum balance

Another name for Contingency fund is_____
Consolidated fund

Contingency fund could be classified into_____
Long-term and Medium-term

Risk which is insurable has how many characteristics?
Two

Specific kinds of risk that may give rise to claims are known as_____
Premium

Motor vehicle insurance protects the policyholder against financial loss in the event of an_____
Flood

Disability insurance police provide financial support in the event of the policyholder becoming unable to work because of_____
Industrial accident or sickness

Workers' compensation insurance replaces all or part of a worker's wages lost and accompanying medical expenses incurred because of_____

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Market-related sickness

How much allowance is provided per child in the Personal Income Tax Act (PITA)?
N 1,500.00

Child's allowance is given subject to maximum number of_____
8 children

Investment is very important because it could be used to_____
Generate employment

One of the ways to reduce the risk of investment is by_____
Buying on credit

Financial products, like Stock, Bonds, Treasury bills, and Treasuring certificate floated by Government is known as_____
Founders' securities

Financial products of high net worth companies are regarded as_____
Yellow chip securities

Marketable securities refer to money market financial instruments that are easily convertible to_____
Debt instrument

According to Bhave (1994), one of the following is not a stage in the process of venture creation.
Opportunity Recognition stage

The strategic role of the Entrepreneur in creating a new venture revolves around_____
Developing an old business site

The major benefit from investment is the return on the_____
Stock sold

Diversification means that an investor should invest in_____
Single asset

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