

CFA® SAMPLE QUESTION – LEVEL I

Economics

- Q:** Bill is interested in investing in country X whose currency is depreciating now. What action(s) the government of country X should Bill expected, and what type of stocks of country X should Bill buy now???
- a** The government is most likely to discourage exports and stimulate imports. Therefore, Bill should invest in import-oriented stocks.
 - b** The government is most likely to discourage both exports and stimulate imports. Therefore, Bill should not invest in any stocks.
 - c** The government is most likely to stimulate both exports and stimulate imports. Therefore, Bill should invest in those stocks which are equally exposed to international currencies and domestic currency.
 - d** The government is most likely to discourage imports and stimulate exports. Therefore, Bill should invest in export-oriented stocks.



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