

## CFA® SAMPLE QUESTION - LEVEL I

### Equity Investments

- Q:** In calculating the weighted average cost of capital (WACC), which of the following statements is least accurate?
- (a)** Different methods for estimating the cost of common equity might produce different results.
  - (b)** The cost of preferred equity capital is the preferred dividend divided by the price of preferred shares.
  - (c)** The cost of debt is equal to one minus the marginal tax rate multiplied by the coupon rate on outstanding debt.



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