

CFA® SAMPLE QUESTION - LEVEL I

Fixed Income

Q: All of the following are possible examples of event risk related to fixed-income securities. Except

CORRECT ANSWER:

Ⓒ a Federal Reserve decrease in money supply

Event risk refers to events that can impact a firm's ability to pay its debt obligations that are separate from market risks.

The Fed's actions can impact the market's interest rates, but this is classified as a market risk factor, but event risk.



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