CFA® SAMPLE QUESTION - LEVEL I

Quantitative Methods

Q: A share of Evergrowth Co. preferred stock is selling for 88.00. It pays a dividend of \$5.88 per year and assume will have a perpetual life. The rate of return it is offering its investors is closest to:

- **a** 5.88%
- **b** 6.00%
- **6.25**%
- **d** 6.68%



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