

CFA® SAMPLE QUESTION - LEVEL I

Quantitative Methods

Q: For a hypothesis test with a probability of a Type II error of 65% and a probability of a Type I error of 8%.

Which of the following statement is Correct?

- a** there is an 8% probability that the null hypothesis is actually true but will be rejected, and the probability of rejecting the null when it is false is 35%.
- b** the power of the test is 35% and there is an 8% probability that the test statistic will exceed the critical value(s)
- c** the power of the test is 55%, and the confidence level is 95%



CFA Society Hong Kong
Candidate Services

