

## CFA® SAMPLE QUESTION – LEVEL I

### Fixed Income

**Q:** Bill hold a \$2 million semi annual-pay floating-rate issue where the rate is reset on January 1 and July 1 each year. The reference rate is 6-month LIBOR, and the stated margin is + 1.75%. If 6-month LIBOR is 3.5% on July 1, what will be the next semi annual coupon be on this issue?

- (a)** \$52,500
- (b)** \$105,000
- (c)** 35,000



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