



# CCRA<sup>Q&As</sup>

Certified Credit Research Analyst

**Pass AIWMI CCRA Exam with 100% Guarantee**

Free Download Real Questions & Answers **PDF** and **VCE** file from:

<https://www.geekcert.com/ccra.html>

100% Passing Guarantee  
100% Money Back Assurance

Following Questions and Answers are all new published by AIWMI  
Official Exam Center

-  **Instant Download** After Purchase
-  **100% Money Back** Guarantee
-  **365 Days** Free Update
-  **800,000+** Satisfied Customers





**QUESTION 1**

The following information pertains to bonds: Further following information is available about a particular bond `Bond FV`

Bond	Initial Maturity	Spread from G-Sec (bps)		
		January 2013	April 2013	July 2013
Bond A	10 Years	94	97	89
Bond B	10 Years	102	103	93
Bond C	10 Years	370	530	560
Bond D	10 Years	115	130	110
Bond E	10 Years	10	15	7

There is a 10.25% risky bond with a maturity of 2.25% year(s) its current price is INR105.31, which corresponds to YTM of 9.22%. The following are the benchmark YTM.

Maturity(yrs)	1	2	3	4	5
YTM	8.22	8.52	8.88	8.98	9.02

Assuming the G-Sec has not changed from the time January 2013 to April 2013, what can you predict about the changes bond price and change in issues borrowing rates:

- A. Decrease and Increase
- B. Increase and Increase
- C. Decrease and Decrease
- D. Increase and Decrease

Correct Answer: D

**QUESTION 2**

Which of the following statements concerning having a CEO serve as chairman of the board is most accurate? Having a CEO also serve as chairman is considered:

- A. poor corporate governance practice as having the CEO server as chairman is an inherent conflict when determining management compensation.
- B. good corporate governance practice as the CEO is the best person to provide the board with information about the company\'s strategy and operations.
- C. cannot be determined



D. poor corporate governance practice as having the CEO and chairman serve as separate positions ensures a properly-functioning board.

Correct Answer: D

---

### QUESTION 3

Ms. Mary Brown is a credit rating analyst. She had prepared a detailed report on one of her client, FlyHigh Airlines Ltd, a company operating chartered aircrafts in India. As she was heading for a meeting with her superior on the matter, coffee spilled over her set of prepared paper(s). As she was getting late for meeting, instead of preparing entire set she could recollect few numbers from her memory and reconstructed following partial financial table: PAT margins are highest in which of the years?



Period Ended	FY10	FY11	FY12
Working Results			
Total Income			
EBITDA			
Interest			
Depreciation	20.00	25.00	30.00
Effective Tax Rate	20%	24%	25%
PBT			
PAT			
Financial Position			
Net Worth	370.00	430.00	535.67
Total Debt	743.00		
Ratios			
Growth			
Growth in Total Income (%)		25%	15%
Growth in EBITDA (%)		30%	20%
Growth in PAT (%)		20%	
Profitability			
EBITDA Margins		32%	
PAT Margins			
RONW			
Solvency			
Overall Gearing Ratio		2.2	
Interest coverage ratio	3.2		3.1
Total Debt / EBITDA		4.5	5.2

- A. FY12
- B. FY11
- C. FY10
- D. Equal in FY10 and FY12

Correct Answer: A



#### QUESTION 4

Proportion of fee based income is examined as the same is an \_\_\_\_\_ efficient source of bank's profitability.

- A. Interest based
- B. Capital
- C. Current
- D. Fee Based

Correct Answer: A

---

#### QUESTION 5

\_\_\_\_\_ Strategy consists of buying a bond with maturity longer than the investment horizon (for investor) or buying a long-maturity bond with short-term funding through repo (for speculator).

- A. Barbell, Ladder and Butterfly
- B. Yield Spread Anticipation
- C. Rate Anticipation with Maturity Mismatch
- D. Riding the yield curve

Correct Answer: D

Reference: [https://books.google.com.pk/books?id=WTvNAAQBAJandpg=PA276andlpg=PA276anddq=Strategy+consists+of+buying+a+bond+with+maturity+longer+than+the+investment+horizon+\(for+investor\)+or+buying+a+long-maturity+bond+with+short-term+funding+through+repoandsource=blandsig=zdi1Gm3sNjNB6zDJ82OkMAAtkandhl=enandsa=Xandved=2ahUKewiYoNDOWt7eAhUFDsAKHWG8BvcQ6AEwAHoECAkQAQ#v=onepageanddq=Strategy%20consists%20of%20buying%20a%20bond%20with%20maturity%20longer%20than%20the%20investment%20horizon%20\(for%20investor\)%20or%20buying%20a%20long-maturity%20bond%20with%20short-term%20funding%20through%20repoandf=false](https://books.google.com.pk/books?id=WTvNAAQBAJandpg=PA276andlpg=PA276anddq=Strategy+consists+of+buying+a+bond+with+maturity+longer+than+the+investment+horizon+(for+investor)+or+buying+a+long-maturity+bond+with+short-term+funding+through+repoandsource=blandsig=zdi1Gm3sNjNB6zDJ82OkMAAtkandhl=enandsa=Xandved=2ahUKewiYoNDOWt7eAhUFDsAKHWG8BvcQ6AEwAHoECAkQAQ#v=onepageanddq=Strategy%20consists%20of%20buying%20a%20bond%20with%20maturity%20longer%20than%20the%20investment%20horizon%20(for%20investor)%20or%20buying%20a%20long-maturity%20bond%20with%20short-term%20funding%20through%20repoandf=false)

id=WTvNAAQBAJandpg=PA276andlpg=PA276anddq=Strategy+consists+of+buying+a+bond+with+maturity+longer+than+the+investment+horizon+(for+investor)+or+buying+a+long-maturity+bond+with+short-term+funding+through+repoandsource=blandsig=zdi1Gm3sNjNB6zDJ82OkMAAtkandhl=enandsa=Xandved=2ahUKewiYoNDOWt7eAhUFDsAKHWG8BvcQ6AEwAHoECAkQAQ#v=onepageanddq=Strategy%20consists%20of%20buying%20a%20bond%20with%20maturity%20longer%20than%20the%20investment%20horizon%20(for%20investor)%20or%20buying%20a%20long-maturity%20bond%20with%20short-term%20funding%20through%20repoandf=false

[CCRA PDF Dumps](#)

[CCRA VCE Dumps](#)

[CCRA Braindumps](#)