



SEBI- GRADE A

STOCK MARKET PART-2 PRACTICE QUESTIONS



Q.1) The stocks are the best option for an investor who wishes to generate significant gains in the long run as long he does not require current dividends and can withstand price volatility. Which of the below is most representative-

- [a] Mid cap**
- [b] Blue chip**
- [c] Small cap**
- [d] Large cap**

Q.2) Companies that show steady growth backed by a good track record. They are similar to large caps except their size. Which type of stock are we referring to-

- [a] Baby Blue chip**
- [b] Blue chip**
- [c] Small cap**
- [d] Large cap**

Q.3) These are stocks that distribute a higher dividend in relation to their share price and are classified as Income stocks. They are also known as-

[a] Dog stocks

[b] Baby blue chip

[c] Growth stocks

[d] Blue chip stocks

Q.4) If the price of the stock is lower than the intrinsic value the stock is considered to be undervalued. These stocks are also referred to as-

- [a] Value Stock**
- [b] Risky stock**
- [c] Valueless stock**
- [d] Growth stock**

Q.5) AJC Private one Person limited stock has beta value of 1.8, what can we say about the risk of the stock -

[a] Negative and high risk

[b] Positive and high risk

[c] Negative and low risk

[d] Negative and high risk.

Q.6) Which type of stocks are issued by companies which are relatively unmoved by economic conditions. Such stocks are typically preferred when economic conditions are poor.

- [a] Cyclical stocks**
- [b] Defensive Stocks**
- [c] Beta stocks**
- [d] Growth stocks**