

**Stock A has a beta of 0.8, Stock B has a beta of 1.0, and Stock C has a beta of 1.2. Portfolio P has equal amounts invested in each of the three stocks. Each of the stocks has a standard deviation of 25%. The returns on the three stocks are independent of one another (i.e., the correlation coefficients all equal zero). Assume that there is an increase in the market risk premium, but the risk-free rate remains unchanged. Which of the following statements is correct? Answers: a-The required returns on all three stocks will increase by the amount of the increase in the market risk premium. b-The required return on Stock A will increase by less than the increase in the market risk premium, while the required return on Stock C will increase by more than the increase in the market risk premium. c-The required return of all stocks will remain unchanged since there was no change in their betas. d-The required return on the average stock will remain unchanged, but the returns of riskier stocks (such as Stock C) will decrease while the returns on safer stocks (such as Stock A) will increase. e-The required return on the average stock will remain unchanged, but the returns of riskier stocks (such as Stock C) will increase while the returns of**

**safer stocks (such as Stock A) will decrease.**

Answer:

b-The required return on Stock A will increase by less than the increase in the market risk premium, while the required return on Stock C will increase by more than the increase in the market risk premium.

Explanation:

Beta reflects the risk associated, as the beta is low, the expected risk is also low, accordingly return expected is also keeping all things constant.

When Beta is less than 1 it means the returns will be lower than market, accordingly for Stock A the return will increase but slower than the market risk.

Whereas, the Beta is more than 1 of Stock B and accordingly the risk is more but return will grow even faster as the risk volatility is high than the market risk.

Which of the following is a standard guideline for business emails? A. Expressing emotions, such as humor, is encouraged. B. Never write an email with just a few paragraphs. C. Write in all caps if the message is important. D. Always include a clear subject line.

Can you simplify 504

2 lines form intersecting at a right angle a. form a line b. are parallel b. are perpendicular c. form a ray?

How many indigenous languages are spoken in Mexico? A Over 200

B less than 10

C over 500

D none

Mass of oxygen gas needed to burn 37.5g of wax

The \_\_\_\_\_ muscle is responsible for lowering and raising the testicles in order to keep them at the right temperature for producing sperm.

1. How did the American Federation of Labor and the Knights of Labor view membership? Both allowed unskilled workers to be members.

Neither allowed unskilled workers to be members.

Only the Knights of Labor allowed unskilled workers to be members.

Only the American Federation of Labor allowed unskilled workers to be members.

2. Which characteristic of the American Federation of Labor might make it more appealing to workers with families?

Their approach to labor issues was radical.

Uriah Stephens was an excellent leader.

They were unafraid to use strikes to make gains.

Striking workers received benefits and support.

3. What can be concluded about the demise of the Knights of Labor?

They would have survived if they had been more radical.

They would have survived if they included unskilled workers.

The public wanted a more moderate approach to labor issues.

The public supported the eight-hour workday and equal pay for women.

4. How did the American Federation of Labor view strikes? (5 points)

They were the first union to ever use the strike.

They considered strikes a violation of federal law and un-American.

They embraced strikes as an effective way to make gains for workers.

They initially resisted strikes, but eventually used them when there were no other options.

5. What was one difference between the Knights of Labor (KOL) and the American Federation of Labor (AFL)?

The KOL admitted women and African Americans.

The KOL was larger than the AFL.

The AFL accepted unskilled workers.

The AFL had a more radical approach.

Which of the following would occur if all of the starfish were suddenly eliminated from this ecosystem

Identify in-school and community opportunities to participate in physical activities.

Epidemiology deals primarily with what type of hazards?

Describe two major federal assimilation policies

Is there a connection between territorial expansion and human sacrifice? Explain.

Cliff is homeless, hungry, and desperate for food and shelter. he will do almost anything to satisfy these needs. according to abraham maslow's hierarchy, cliff will pursue:

Four million tourists visit the Empire State Building each year because a famous person once lived there. it offers great views of New York City. many concerts and plays are held there. it is the oldest building in the United States.

Look at the picture and observations below. Observations: The bee's wings are moving very fast. The bee's wings are much smaller than its body. Which question is based on these observations?

Read this text: Jason looked up to the engineers he had met on the fieldtrip. He knew he could be as successful as they were if he just worked hard enough.

Unlike his friends who spent their days at the skate park, Jason was a man on a mission, constantly working on his schoolwork.

What type of connection is used in this text?

Contrast

Analogy

Comparison

Category

What is relative velocity? Suppose you want to design an airbag system that can protect the driver in a head on collision at a speed of 100 km/hr or 60 mph. Estimate how fast the airbag must inflate to effectively protect the driver? The car crumples within a distance of 1m.  
The sum of 3 consecutive odd numbers is 69. What is the third number in this sequence?

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