

Student Investor Regional Finals 2009

Main Quiz
Questions 1 – 40

Team name

General Knowledge Questions

- 1) The standard rate of VAT was reduced on 1st December 2008 from 17.5% to:
 - a. 14.5%
 - b. 15%
 - c. 15.5%
 - d. 16%
- 2) This change in the standard rate of VAT will be in effect:
 - a. Until 6th April 2009
 - b. Until 1st December 2009
 - c. Until 31st December 2009
 - d. Indefinitely
- 3) On 8th January, the UK base interest rate was cut by 0.5% to 1.5%. This was the lowest level since:
 - a. 1694
 - b. 1889
 - c. 1919
 - d. 1946
- 4) In a recent survey, insurance company LV= calculated the cost to parents of a raising child to age 21. It was:
 - a. £50,125
 - b. £78,565
 - c. £115,138
 - d. £193,772
- 5) Which country's troubled economic situation caused problems for billions of pounds worth of money from UK savers, councils and charities?
 - a. Germany
 - b. Iceland
 - c. India
 - d. Switzerland
- 6) Which of the following celebrated it's 100th birthday in August 2008?
The:
 - a. basic state pension
 - b. credit card
 - c. current account
 - d. variable rate mortgage
- 7) Which financial services provider came top in a recent Which? survey on customer service?
 - a. Abbey
 - b. First Direct
 - c. NatWest
 - d. Smile
- 8) Despite the UK base interest rate being at an all-time low, what is the average rate of interest payable on a credit card debt?
 - a. 13.9%
 - b. 16.1%
 - c. 17.7%
 - d. 18.2%
- 9) What is the name of the money exchange 'eBay' style website that has been said to 'cut out the banks':
 - a. eBayfunds.com
 - b. moneyfunds.com
 - c. paypal.co.uk
 - d. zopa.com
- 10) When is the annual final deadline for the completion of Inland Revenue Self Assessment tax forms each year?
 - a. 1st January
 - b. 31st January
 - c. 5th April
 - d. 31st December

- 11) In January 2009, approximately how many households were facing negative equity?
- a. 1.2 million
 - b. 1.5 million
 - c. 1.8 million
 - d. 2.0 million
- 12) Complete the gap – “_____ in _____ people were victims of credit or debit card fraud in 2008”:
- a. One in three
 - b. One in four
 - c. One in five
 - d. One in eight
- 13) According to card protection firm CPP, what is the value of the average fraudulent transaction on a credit or debit card?
- a. £500
 - b. £555
 - c. £650
 - d. £750
- 14) What is the value of the unclaimed balances in the dormant accounts of HSBC?
- a. £28.5 million
 - b. £31.7 million
 - c. £38.8 million
 - d. £42.3 million
- 15) Before the effects of the credit crunch, what was the greatest Loan to Value (LTV) ratio that was possible for a mortgage, due to the rapidly rising house prices?
- a. 115%
 - b. 120%
 - c. 125%
 - d. 130%
- 16) What was the average cost of a Wedding in the UK in 2008?
- a. £5,000 - £10,000
 - b. £15,000 - £20,000
 - c. £25,000 - £30,000
 - d. £35,000 - £40,000
- 17) Which of the following companies has not gone into administration during 2008/2009?
- a. GlaxoSmithKline
 - b. Land of Leather
 - c. Lehman Brothers
 - d. Woolworths
- 18) According to the Sunday Times 2008 Rich List, where was Sir Richard Branson ranked?
- a. 11th
 - b. 15th
 - c. 20th
 - d. 25th
- 19) How long, on average, does it take men and women to pay back their Student Loans?
- a. Men = 10 years, women = 12 years
 - b. Men = 11 years, women = 16 years
 - c. Men = 14 years, women = 16 years
 - d. Men = 16 years, women = 11 years
- 20) Which financial product has recently been publicly shunned as providers have stated it will no longer be sold?
- a. Car insurance
 - b. Critical illness insurance
 - c. Payment Protection insurance
 - d. Unemployment insurance

Savings

- 21) What is the annual allowance for Cash ISAs in the tax year 2008-2009?
- a. £3,200
 - b. £3,600
 - c. £7,000
 - d. £7,200
- 22) The Financial Services Compensation Scheme guarantees individual savings deposits in UK registered banks up to what figure?
- a. £25,000
 - b. £50,000
 - c. £75,000
 - d. £100,000
- 23) A voucher to what value is issued to newborn babies in order that it may be saved or invested in a Child Trust Fund?
- a. £150
 - b. £200
 - c. £250
 - d. £300
- 24) What are the minimum and maximum prize values that can be won each month in the premium bonds draw?
- a. £1 / £1,000
 - b. £25 / £1,000
 - c. £50 / £1 million
 - d. £100 / £1 million

- 25) In 2010 a new government supported saving scheme will be launched to encourage people on lower incomes to develop a savings habit. What is the name of the scheme?
- a. Individual Savings Scheme
 - b. Instant Access Account Scheme
 - c. National Savings and Investments
 - d. The Saving Gateway

Investment Themed Questions

- 26) The FTSE index peaked at the end of 1999 at:
- a. 5390
 - b. 5710
 - c. 6930
 - d. 6975
- 27) Which of the following is not a unit trust issued by Jupiter?
- a. Jupiter Asian Fund
 - b. Jupiter Indian Fund
 - c. Jupiter Merlin Balanced Portfolio
 - d. Jupiter Merlin Gold Portfolio
- 28) Which fund management company was recently bought out by fund management group Henderson?
- a. Fidelity
 - b. M&G
 - c. New Star
 - d. Threadneedle
- 29) What does ETF stand for?
- a. Electronic Transfer Funds
 - b. Energy Traded Funds
 - c. Energy Transfer Funds
 - d. Exchange Traded Funds

- 30) Who has been described as the most successful investment manager ever, after achieving an above 20% compounding annual return for the last 40 years:
- a. Edward Bonham Carter
 - b. Mark Dampier
 - c. Richard Hunter
 - d. Warren Buffett

Shares and the Stock Market

- 31) Which type of companies have their shares quoted on the stock market?
- a. CLUBS
 - b. EPSs
 - c. P/Es
 - d. PLCs

- 32) Companies which have their shares on the stock market must do which of the following?
- a. Advertise nationally
 - b. Disclose information
 - c. Make a profit
 - d. Pay dividends

- 33) A company is able to turn revenue growth into profits. This would usually have what impact on its share price? The value of the shares will:
- a. decrease
 - b. increase
 - c. rise with inflation
 - d. stay the same

- 34) Which of the following is not a recognised strategy for an investor in shares?
- a. Buy
 - b. Depreciate
 - c. Hold
 - d. Sell

- 35) Shares should be viewed as which of the following types of investment?
- a. Liquid
 - b. Long-term
 - c. Risk-free
 - d. Short-term

- 36) An instruction to sell shares when the share price falls to or below a specified level is known as which of the following?
- a. Dividend yield
 - b. Reserve price
 - c. Specific holding cap
 - d. Stop loss order

- 37) Which of the following statements about a company's earnings is true?
- a. Companies must pay all earnings as a dividend
 - b. Company earnings are paid to shareholders as interest
 - c. Not all earnings are distributed to investors
 - d. Shareholders must always receive all earnings

- 38) The ratio between the dividends per share and the stock price is known as:
- a. dividend yield
 - b. dividends versus price
 - c. earnings per share
 - d. market capitalisation

- 39) Which of the following is likely to have the greatest influence on a company's decision as to whether or not to pay a dividend to investors? How much:
- a. its costs have increased
 - b. its sales revenues have increased
 - c. its workforce has increased ..
 - d. profit it has made

40) Jacob buys some shares in a major telecommunications company.

When he decides to sell them the share price has increased by more than one pound. This means that he has made which of the following?

- a. Annual Equivalent Rate
- b. Capital gain
- c. Dividend growth
- d. Interest yield.