

GARP 2016-FRR Valid Exam Tips - 2016-FRR Actual Exam



P.S. Free & New 2016-FRR dumps are available on Google Drive shared by Pass4Leader: https://drive.google.com/open?id=1wOJOhWiDnzSQiYnzwxj-rJo3SXmd0_8r

All in all, our test-orientated high-quality 2016-FRR exam questions would be the best choice for you, we sincerely hope all of our candidates can pass 2016-FRR exam, and enjoy the tremendous benefits of our 2016-FRR prep guide. Helping candidates to pass the 2016-FRR Exam has always been a virtue in our company's culture, and you can connect with us through email at the process of purchasing and using, we would reply you as fast as we can.

The FRR Series Exam is an important credential for risk professionals who want to advance their careers in the financial services industry. It is recognized by major financial institutions around the world and is often a requirement for senior-level positions in risk management. 2016-FRR Exam is also a valuable tool for employers who want to ensure that their risk management professionals have the knowledge and skills needed to manage financial risk effectively. Overall, the FRR Series Certification Exam is an essential program for anyone who wants to excel in the field of risk management.

>> GARP 2016-FRR Valid Exam Tips <<

2016-FRR Actual Exam, 2016-FRR Valid Exam Dumps

Some practice materials keep droning on the useless points of knowledge. In contrast, being venerated for high quality and accuracy rate, our 2016-FRR training quiz received high reputation for their efficiency and accuracy rate originating from your interests, and the whole review process may be much better than you have imagined before. Numerous of our loyal customers wrote to us to praise that the 2016-FRR Exam Questions are the same with the real exam questions and they passed 2016-FRR exam with ease.

GARP Financial Risk and Regulation (FRR) Series Sample Questions (Q11-Q16):

NEW QUESTION # 11

According to Basel II what constitutes Tier 2 capital?

- A. Equity capital and debt together.
- **B. Debt that is subordinate to equity.**
- C. Debt that is not subordinated to equity and innovative capital products that would count as Tier 1 capital and excluding perpetual non-cumulative preference shares.
- D. Core capital excluding undisclosed reserves and general reserves that the bank may make against its expected loan losses.

Answer: B

Explanation:

Under Basel II, Tier 2 capital, also known as supplementary capital, includes:

* Subordinated Debt: This type of debt ranks below other debts with respect to claims on assets or earnings. It is considered Tier 2 capital because it can absorb losses in the event of a winding-up of the bank.

* Other Instruments: This category can also include hybrid instruments, undisclosed reserves, revaluation reserves, and general provisions/general loan-loss reserves.

These components enhance the bank's ability to absorb losses beyond the protection provided by Tier 1 capital. References: How Finance Works, sections explaining the structure and components of Tier 2 capital under Basel II.

NEW QUESTION # 12

James Johnson has a \$1 million long position in ThetaGroup with a VaR of 0.3 million, and \$1 million long position in VolgaCorp with a VaR of 0.4 million. The returns of the two companies have zero correlation. What is the portfolio VaR?

- A. \$0.7 million
- B. \$1 million
- C. \$0.4 million
- D. \$0.5 million

Answer: D

NEW QUESTION # 13

A bank has a Var estimate of \$100 million. It is considering a new transaction which has a correlation of 0.35 with the current portfolio and a standalone VaR estimate of \$5 million. What would be the new VaR for the bank if it carried out the transaction?

- A. \$ 213.67 million
- B. \$100.22 million
- C. \$105 million
- D. \$101.86 million

Answer: D

NEW QUESTION # 14

According to the principles of the Basel II Accord, the implementation and relative weights of the elements of the operational risk framework depend on:

- I. The culture of the financial institution
- II. Regulatory drivers
- III. Business drivers
- IV. The bank's reporting currency

- A. II, III
- B. II, IV
- C. I, IV
- D. I, II, III

Answer: D

Explanation:

According to the principles of the Basel II Accord, the implementation and relative weights of the elements of the operational risk framework depend on the culture of the financial institution (I), regulatory drivers (II), and business drivers (III). The bank's reporting currency (IV) is not relevant to the implementation of the operational risk framework under Basel II.

References: Basel II Accord principles on operational risk.

NEW QUESTION # 15

Which one of the following four attributes would likely help a trader using exchange-traded options to establish a leveraged position?

- A. Unlimited losses for long option positions
- **B. Higher degrees of exposure at less cash cost**
- C. Option positions have the same credit risks as a margined long forward.
- D. Option positions have the same cash risks as a margined short futures purchase.

Answer: B

Explanation:

To establish a leveraged position using exchange-traded options, a trader would benefit from attributes that increase exposure while minimizing initial cash outlay.

* Higher degrees of exposure at less cash cost: Options provide significant leverage because they allow traders to control large positions with a relatively small amount of capital. This leverage is achieved through the options' pricing mechanism, where the premium paid is significantly less than the actual value of the underlying asset.

* Unlimited losses for long option positions: This is not an advantage for establishing a leveraged position. In fact, long option positions have limited losses, confined to the premium paid.

* Option positions have the same credit risks as a margined long forward: This is incorrect. Options have different risk profiles compared to margined long forwards, primarily because options confer the right but not the obligation to execute the contract.

* Option positions have the same cash risks as a margined short futures purchase: This is incorrect.

Options and futures have different risk and margin requirements, and they do not expose traders to the same cash risks.

Thus, the most advantageous attribute for a trader using exchange-traded options to establish a leveraged position is the higher degrees of exposure at less cash cost.

References

Source: How Finance Works

NEW QUESTION # 16

.....

When you have a lot of electronic devices, you definitely will figure out the way to study and prepare your 2016-FRR exam with them. It is so cool even to think about it. As we all know that the electronic equipment provides the convenience out of your imagination. With our APP online version of our 2016-FRR practice materials, your attempt will come true. Our 2016-FRR exam dumps can be quickly downloaded to the electronic devices.

2016-FRR Actual Exam: <https://www.pass4leader.com/GARP/2016-FRR-exam.html>

- High-quality GARP 2016-FRR Valid Exam Tips offer you accurate Actual Exam | Financial Risk and Regulation (FRR) Series Search for 2016-FRR and download it for free on 「 www.pdf.dumps.com 」 website Latest 2016-FRR Exam Forum
- 2016-FRR Reliable Exam Tutorial 2016-FRR New Study Notes 2016-FRR Valid Study Materials Immediately open ⇒ www.pdfvce.com ⇐ and search for ➡ 2016-FRR to obtain a free download Detailed 2016-FRR Answers
- Latest 2016-FRR Exam Forum Exam 2016-FRR Tips 2016-FRR Reliable Exam Tutorial Search for 「 2016-FRR 」 and download exam materials for free through { www.practicevce.com } 2016-FRR Exam Overview
- 2026 GARP 2016-FRR Valid Exam Tips - Pass Guaranteed Quiz Realistic Financial Risk and Regulation (FRR) Series Actual Exam The page for free download of ⇒ 2016-FRR ⇐ on ➡ www.pdfvce.com will open immediately 2016-FRR Certification
- Exam 2016-FRR Tips 📄 2016-FRR Exam Overview 2016-FRR New Study Notes Open website 【 www.dumpsmaterials.com 】 and search for ➤ 2016-FRR for free download New 2016-FRR Test Vce Free
- 2016-FRR Best Study Material 2016-FRR Latest Real Test ➡ Detailed 2016-FRR Answers Search for ➡ 2016-FRR and download it for free on ▶ www.pdfvce.com ◀ website Reliable 2016-FRR Study Guide
- High-quality GARP 2016-FRR Valid Exam Tips offer you accurate Actual Exam | Financial Risk and Regulation (FRR) Series Enter ▷ www.exam4labs.com ◁ and search for (2016-FRR) to download for free Reliable 2016-FRR Study Guide
- Practice 2016-FRR Test 2016-FRR Valid Study Materials 2016-FRR Reliable Braindumps Sheet Open 【 www.pdfvce.com 】 enter ➡ 2016-FRR and obtain a free download 2016-FRR Reliable Braindumps Ppt
- 2016-FRR Reliable Exam Tutorial 2016-FRR Reliable Braindumps Ppt 2016-FRR Reliable Exam Tutorial ✓ Open ➡ www.vce4dumps.com and search for ➡ 2016-FRR to download exam materials for free 2016-FRR Valid Study Materials
- 2016-FRR Exam Experience Reliable 2016-FRR Study Guide Practice 2016-FRR Test Open website { www.pdfvce.com } and search for 【 2016-FRR 】 for free download ✓ 2016-FRR Exam Experience
- 2016-FRR Reliable Braindumps Sheet 2016-FRR Certification 2016-FRR Latest Real Test Download ➤

