Lecture Notes 10: Practice Midterm Examination

A few remarks before you start:

- During the actual exam, I will approach each student to sign his/her name on the class roster. Every student must sign his/her name, and only those who will sign will have their exam graded.
- Note that the 2 market tracking questions on this exam may not make much sense to you, or may be difficult to answer, as the patterns they relate to were pronounced during a different period. Still they are the type of questions you may encounter.
- If you get 23 correct answers in 120 minutes, it is excellent. 18 is very good. In fact, 13 correct answers is a good score and usually should put you safely within the B range.
- The rest of this page is very similar to what you will have on the actual exam, so make sure you read it before taking the midterm.

No exams can be taken outside the exam room.

Please write your name and I.D. number on the bottom of this page and on the bottom of last page (p.13), and sign the Honor Code Statement on the next page (read it now, to save you time during the actual midterm, as you will have to sign the same statement then). Make sure your exam contains 13 pages.

This is a closed-book exam. You are allowed to take into the exam a calculator(s) (no laptop/notebook computers) and a 8.5”×11” sheet of paper with formulas (no sample problems, no copies of notes or book pages).

Please write your name and I.D. number on your formula sheet and hand it in at the end of the exam.

You have 120 minutes to answer all the questions. Allocate the time wisely.

Please mark the correct answers on page 13. Only this page will be graded. (circle the appropriate letter, or mark it with an X). There is no penalty for wrong answers.

For each question, choose the single best answer out of those given in items a. to e. (i.e., the answer most accurate qualitatively, or the closest numerically, to what you think is the correct answer based on the material covered in class and in the readings).

Good Luck!

NAME (Please Print): _______________________________

I.D. Number: ____________________
MBA HONOR CODE

I will not lie, cheat or steal to gain an academic advantage, or tolerate those who do.

The Stern community believes that honesty and integrity are qualities necessary for rewarding academic and professional experiences. These qualities form the basis for the strong trust among all members of the academic community (students, faculty, and administrators) that is essential for excellence in education. The purpose of the Honor Code is therefore to express a commitment to promote principles of honesty, integrity and trust among Stern students. Therefore, prior to entering the program, each student is asked to commit to the principles of this Honor Code and by signing the Honor Code agrees to abide by the Code.

The Honor Code requires that each student act with integrity in all academic activities and that each student endeavors to hold his or her peers to the same standard.

Violations of the Honor Code include:

- Lying - Lying includes knowingly communicating an untruth in order to gain an unfair academic advantage or omitting to state a true statement when under the circumstances a person of integrity would be expected to disclose a matter.

- Cheating - Cheating includes using unauthorized materials to complete an assignment; copying the work of another student, or representing another’s work as one’s own work (plagiarism); falsifying one’s identity by having someone take an exam; unauthorized providing of materials or information to others during exams; and any other activity which gives a student an unfair academic advantage. All communications, written, oral or otherwise, among students during examinations, as are forbidden, as is the use of notes, books, calculators or other written material except when approved by the instructor.

- Stealing - Students are required to submit their own work. Ideas, data, direct quotations, paraphrasing, or any other incorporation of the work of others must be clearly referenced. To do otherwise constitutes plagiarism, which is using the work of another without giving proper credit.

This list is not inclusive, and is included for illustrative purposes.

Upon witnessing a violation of the Honor Code, a student has a moral obligation to inform the student whose conduct is believed to be in violation of the Code that the Code has been violated. Each member of the Stern community, as a person of integrity, has a personal obligation to adhere to this requirement. The student also has the right to inform a member of the faculty, and/or may submit a written complaint to the MBA Judiciary Committee.

Violations of this agreement to be governed by the Honor Code are viewed as serious matters that are subject to disciplinary sanctions imposed by the MBA Judiciary Committee of the Stern School, which is comprised of five MBA students and two faculty.

I affirm that I have read and understand the above.

Signature ____________________________________________