

YLIOPISTOTENTTI - UNIVERSITY EXAM

Opiskelijan nimi / Student name:	Opiskelijanumero / Student number:
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Opettaja täyttää / Lecturer fills in:

Opintojakson koodi and nimi / The code and the name of the course: Koodi / Code: 721383S Tentin nimi / Exam name: Asset Pricing	
Tiedekunta / Faculty: Oulu Business School	
Tentin pvm / Date of exam: 12.08.2016	Tentin kesto tunteina / Exam in hours: 4
Tentin nro / No. of the exam: Summer exam	Opintopistemäärä / Credit units: 6
Tentaattori(t) / Examiner(s): Hannu Kahra	Sisäinen postios. / Internal address: OBS
Sallitut apuvälineet / The devices allowed in the exam: <input checked="" type="checkbox"/> Nelilaskin / Standard calculator <input checked="" type="checkbox"/> Funktiolaskin / Scientific calculator <input checked="" type="checkbox"/> Ohjelmoitava laskin / Programmable calculator <input type="checkbox"/> Muu materiaali, tarkennettu alla / Other material, specified below:	
Tenttiin vastaaminen / Please answer the questions: <input checked="" type="checkbox"/> Suomeksi / in Finnish <input checked="" type="checkbox"/> Englanniksi / in English	
Kysymyspaperi on palautettava / Paper with exam questions must be returned: <input type="checkbox"/> Kyllä / Yes <input checked="" type="checkbox"/> Ei / No	

1. Provide *short* answers to the following questions (6 points)
 - a. Provide evidence that “expected returns” vary across assets
 - b. What does the CAPM say about variation among assets?
 - c. Does the spread in average returns of “value” and “growth” stocks implicate a failure of the CAPM?
 - d. What makes the former an anomaly to the CAPM?
2. The Fama--MacBeth procedure (6 points)
3. Return predictability (6 points)
4. Value and momentum everywhere (6 points)