# CIMAPRO17-BA1-X1-ENG<sup>Q&As</sup>

## BA1 - Fundamentals of Business Economics Question Tutorial

## Pass CIMA CIMAPRO17-BA1-X1-ENG Exam with 100% Guarantee

Free Download Real Questions & Answers **PDF** and **VCE** file from:

**https://www.passapply.com/cimapro17-ba1-x1-eng.html**

100% Passing Guarantee
100% Money Back Assurance

Following Questions and Answers are all new published by CIMA
Official Exam Center

⚙ **Instant Download** After Purchase

⚙ **100% Money Back** Guarantee

⚙ **365 Days** Free Update

⚙ **800,000+** Satisfied Customers

**QUESTION 1**

A research business compiles the following data for Country D over 8 years:

Household expenditure, y (in millions of constant 20X6 dollars);

The number of fixed broadband internet subscribers, x (in thousands).

Based on this information the following regression model is developed:

y = 332668 + 45.8x ?0.003?

Which of the following statements is correct?

A. The model is based on historical data, so it is of little use in making forecasts.

B. 1 percent increase in the number of fixed broadband internet subscribers will lead to 0.3 percent increase in household final consumption expenditure.

C. A non-linear relationship is suggested by the model between household final consumption expenditure and the number of fixed broadband internet subscribers.

D. The model makes accurate forecasts on household final consumption expenditure in Country D, and therefore it should be widely applied to most countries and regions.

Correct Answer: C

---

**QUESTION 2**

FILL BLANK

A business analyst has computed a trend regression for the sales of company X. The following table reports the ratios between the actual quarterly sales of company X and the calculated trend, for a period of four years.

| | Q1 | Q2 | Q3 | Q4 |
|------|-------|-------|-------|-------|
| 20X2 | 1.017 | 0.907 | 1.010 | 1.404 |
| 20X3 | 0.902 | 0.825 | 0.899 | 1.415 |
| 20X4 | 0.840 | 0.757 | 0.883 | 1.288 |
| 20X5 | 0.799 | 0.743 | 0.966 | 1.353 |

What is the seasonal component in the fourth quarter? Give your answer to three decimal places.

A. 0.563

Correct Answer: A

## QUESTION 3

Futures are like forwards in that:

A. futures are a binding contract.

B. futures can be traded on future exchanges.

C. futures are standardized contracts for standardized amounts.

D. futures always cover the exact foreign currency exposure.

Correct Answer: B

## QUESTION 4

In recent years, consumer groups have become more vocal in calling for the boycott of producers whose suppliers do not comply with international regulations on workplace safety and child labour. A fashion company that outsources its production to low labour cost countries should include this phenomenon in which part of their PESTEL framework?

A. T

B. E

C. S

D. P

Correct Answer: C

Reference: https://thecimastudent.com/2018/02/15/using-pestel-analysis/

## QUESTION 5

Which THREE of the following can be used to reduce the principal-agent problem in business organizations? (Choose three.)

A. Requiring managers to uphold detailed disclosure and reporting practices.

B. Introducing bonuses related to the profit performance of the business.

C. Implementing a \'top-down\' decision-making process.

D. Implementing a share distribution scheme.

E. Requiring managers to take into account the interests of external stakeholders.

Correct Answer: ADE