GRADE: 12	BUSINESS STUDIES	10 MAY 2025
TIME: 15 MINUTES	PRE-TEST: SESSION 2 INVESTMENT: SECURITIES	MARKS: 20
INSTRUCTIONS:		
1.	Answer **ALL** the questions on the **ANSWER SHEET** provided.	
2.	There is only **ONE** correct answer for each question.	
3.	Read the instructions/questions carefully.	
4.	Various options are provided as possible answers to the following questions. Choose the correct answer and make a CROSS (☒) in the appropriate box **(A–D)** next to the question numbers (1-10) on the **ANSWER SHEET**.	

QUESTIONS:

1.	**This institution is responsible for the listing of public companies.** A. Registrar of Public companies (ROC) B. Registrar of Security/Stock exchange (RSE) C. South African Stock/Security exchange (SASE) D. Johannesburg Stock/Security exchange (JSE)	
2.	**2. The following statement describes the FUNCTIONS of the institution that you identified in question 1 above.** **Select only the correct statement from the given options: 1. Gives opportunities to financial institutions such as insurance companies to invest their funds in ... . 2. Serves as a ... of economic conditions in South Africa. 3. Keeps ... informed on share prices by publishing the share prices daily. 4. Acts as a ... between investors and public companies.** A. shares; barometer; investors; link B. economy; link; barometer; shares C. link; economy; shares; invest D. market; barometer; link; primary	
3.	**The dividend on … shares is paid to shareholders at a fixed rate.** A. ordinary B. bonus C. preference D. founders	
4.	**ALCAREZ TRAINING AND LOGISTICS (ATL) make use of an investment opportunity where a financial advisor will manage all their investments in one. This refers to …** A. mutual fund B. unit trust C. debenture D. managed portfolio	

5.	**The form of investment applicable where the management of HIP 2BE SQUARE(H2B²) has instructed the bank to manage their investment in a diverse portfolio that will be managed by an investment professional/specialist.**	
	A. unit trust B. managed portfolio C. shares D. fixed deposit	
6.	**The following factors must be taken into consideration when making investment decisions, namely:** A. Liquidation; Inflation rate; Return of investment (ROI); Risk; Investment term/period; Taxation B. Liquidity; Inflation rate; Return of investment (ROI); Risk; Investment term/period; Taxation C. Liquidation; Inflation rate; Legislation; Return of investment (ROI); Damages; Investment term/period; Taxation D. Liquidity; Inflation rate; Taxation; Return of investment (ROI); Damages; Investment term/period	
7.	**Which one of the following statements best describe the term "Liquidity"?** A. a type of investment that cannot easily be converted to cash. B. the speed with which investors can convert an investment into cash. C. flow of money in and out the investment. D. the amount of money the investor gets in addition to the original investment amount.	
8.	**A low-risk investment opportunity issued to borrow capital from the public.** A. Fixed deposit B. Debenture C. 32-Day notice D. Venture capital	
9.	**A … preference shareholder is allowed to share in the surplus profit of the business.** A. participating B. redeemable C. cumulative D. non-convertible	
10.	**Macey Grey invested R4 000 at 8% simple interest per year. She will receive an amount of … as interest at the end of 18 months.** A. R320 B. R480 C. R4 480 D. R4 320	