

Your Name: \_\_\_\_\_

**ANSWER SHEET: SECOND MIDTERM EXAM**  
**EC26101: MONEY, BANKING AND FINANCIAL MARKETS**  
**FEBRUARY 25, 2004**

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|--------------------------|----------------------|
| 1. E                     | 14. B                |
| 2. E                     | 15. D                |
| 3. E                     | 16. pension fund     |
| 4. notes                 | 17. E                |
| 5. C                     | 18. commercial banks |
| 6. E                     | 19. simple           |
| 7. transaction costs     | 20. coupon           |
| 8. risk                  | 21. C                |
| 9. moral hazard          | 22. zero coupon      |
| 10. A                    | 23. less             |
| 11. savings              | 24. E                |
| 12. E                    | 25. E                |
| 13. mutual savings banks |                      |