FactSet Certification Practice Test (Sample)

Study Guide

BY EXAMZIFY

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Questions

1. **Which economic report shows where the 3-month LIBOR rate for GBP is trading at today?**
   - A. Market Synopsis
   - B. Key indicators
   - C. Economic Synopsis
   - D. Monetary Statistics

2. **Which type of data do Financials reports within the Company/Security tab use to account for varying accounting practices?**
   - A. As-Reported Data
   - B. Standardized Data
   - C. Fully-Reported Data
   - D. Ownership Data

3. **True or False: Launching a company's corrected transcript with indexed audio allows you to double-click any word to skip to that recording portion.**
   - A. True
   - B. False
   - C. Depends on audio quality
   - D. Not applicable

4. **Which button allows you to export upcoming events to your Outlook calendar to not miss earnings calls?**
   - A. View Conference Detail
   - B. Access Press Releases
   - C. Export to Calendar
   - D. Modify Calendar Display

5. **What key feature differentiates Standardized Data from As-Reported Data in financial reporting?**
   - A. Classification of entities
   - B. Consistent accounting practices
   - C. Real-time adjustments
   - D. Owner information

6. True or False: You can toggle between an Investment Management and an Investment Banking Snapshot using the cog wheel icon in the Company/Security tab's Snapshot report.

   A. True

   B. False

7. What tab provides an overview of the global markets' performance and major news stories for the day?

   A. Today's Top News

   B. Economics

   C. Markets

   D. Industry

8. What is the name of FactSet's proprietary news aggregator that's written by financial professionals?

   A. FactSet News

   B. Newsboard

   C. NewsSet

   D. StreetAccount

9. Which of the following is NOT a capability of Blackline Reports in FactSet?

   A. Comparing registration documents

   B. Automating data collection

   C. Displaying real-time market data

   D. Highlighting changes in public filings

10. Is it necessary to manually refresh your workspace for the new Company/Security report to appear in the Company/Security tab's left pane?

   A. True

   B. False

Answers

1. C
2. B
3. A
4. C
5. B
6. A
7. C
8. D
9. C
10. A

Explanations

1. Which economic report shows where the 3-month LIBOR rate for GBP is trading at today?

A. Market Synopsis

B. Key indicators

C. Economic Synopsis

D. Monetary Statistics

The correct choice pertains to the Economic Synopsis, as this report typically encompasses a variety of financial and economic data, including interest rates like the 3-month LIBOR for GBP. The Economic Synopsis provides a comprehensive overview of current economic conditions, which would prominently feature key metrics such as the LIBOR rates. In contrast, the Market Synopsis primarily focuses on the performance of various financial markets, including equities and bonds, rather than specific interest rates. Key indicators usually highlight major economic statistics and trends but may not directly report on LIBOR rates. Monetary Statistics, while related to central bank activities and financial conditions, typically cover broader monetary aggregates and do not isolate specific interest rate benchmarks like LIBOR. Thus, Economic Synopsis is the most relevant source for obtaining the current rate of the 3-month LIBOR for GBP.

2. Which type of data do Financials reports within the Company/Security tab use to account for varying accounting practices?

A. As-Reported Data

B. Standardized Data

C. Fully-Reported Data

D. Ownership Data

The selection of standardized data as the correct answer reflects the need for a consistent framework to analyze financial information across different companies, particularly when they may employ varying accounting practices. Standardized data ensures that financial metrics are presented in a uniform manner, allowing for more accurate comparison and analysis. When financial statements are generated, companies may utilize different accounting rules, policies, or practices, which can lead to discrepancies in how financial metrics are reported. Standardized data addresses this challenge by adjusting the figures to a common set of accounting standards. This process helps analysts and investors make better-informed decisions based on uniform data, thus improving the comparability of financial performance across different entities. In contrast, as-reported data reflects the financial statements as they are presented by the companies, without any adjustments for differences in accounting practices. This data can be misleading when comparing companies with different reporting standards. Fully-reported data typically refers to comprehensive disclosures rather than a focus on standardized formats, and ownership data concerns the equity stakes held in companies, which does not relate directly to financial reporting practices. Hence, the emphasis on standardized data enables users to gain a clearer and more actionable understanding of financial results across diverse companies.

3. True or False: Launching a company's corrected transcript with indexed audio allows you to double-click any word to skip to that recording portion.

A. True

B. False

C. Depends on audio quality

D. Not applicable

Launching a company's corrected transcript with indexed audio is designed to enhance the user experience by allowing listeners to navigate through the audio seamlessly. When the transcript is linked to the audio in this way, it means that each word in the text is indexed to the specific time in the audio recording where that word is spoken. As a result, when you double-click on a word, the system automatically jumps to the corresponding section of the audio, effectively allowing you to skip directly to that moment in the recording. This functionality is particularly beneficial for users who want to reference specific parts of the audio without having to manually search through the entire recording, thus making the information more accessible and user-friendly.

4. Which button allows you to export upcoming events to your Outlook calendar to not miss earnings calls?

A. View Conference Detail

B. Access Press Releases

C. Export to Calendar

D. Modify Calendar Display

Choosing "Export to Calendar" is correct because this option specifically enables users to transfer important dates, such as upcoming earnings calls, directly to their Outlook calendar. This feature is essential for ensuring that users are reminded of and can attend these events, enhancing their engagement with financial data and market movements. The other options offer different functionalities. "View Conference Detail" would allow you to see specific information about the events but does not provide the export functionality to a calendar. "Access Press Releases" pertains to obtaining communications from companies regarding their financial performance but doesn't relate to scheduling events. "Modify Calendar Display" would allow adjustments to how calendar information is presented but, again, does not facilitate exporting actual events to Outlook. This highlights how "Export to Calendar" is uniquely suited to the task of managing and tracking important upcoming events effectively.

5. What key feature differentiates Standardized Data from As-Reported Data in financial reporting?

A. Classification of entities

B. Consistent accounting practices

C. Real-time adjustments

D. Owner information

The key feature that differentiates Standardized Data from As-Reported Data in financial reporting is the use of consistent accounting practices. Standardized Data is compiled using uniform accounting standards and principles, which allows for easier comparison across different entities, periods, or sectors. This consistency ensures that financial figures can be interpreted in a standardized manner, making it simpler for analysts, investors, and stakeholders to evaluate performance and make informed decisions. On the other hand, As-Reported Data reflects the financial results as they are reported by the company, which may adhere to varying accounting methods based on management's discretion or regional regulations. This lack of uniformity can introduce discrepancies and make comparisons less reliable. By relying on consistent accounting practices, Standardized Data eliminates these inconsistencies, reinforcing its utility for comparative analysis across financial statements.

6. True or False: You can toggle between an Investment Management and an Investment Banking Snapshot using the cog wheel icon in the Company/Security tab's Snapshot report.

A. True

B. False

The statement is true. In the FactSet platform, the cog wheel icon in the Company/Security tab's Snapshot report provides users the functionality to toggle between different perspectives, such as Investment Management and Investment Banking Snapshots. This allows users to customize their view based on the specific analytical needs or investment focus they are interested in. The Snapshot feature aggregates key financial and operational information, making it convenient to compare how different stakeholders—like investment managers and bankers—view the same company's data. This capability enhances the user experience by allowing for immediate shifts in focus without needing to navigate away from the snapshot interface, which is particularly valuable for analysts who require insights tailored to various functions within finance. This transitional functionality embodies FactSet’s emphasis on offering flexibility and comprehensive data access to its users.

7. What tab provides an overview of the global markets' performance and major news stories for the day?

A. Today's Top News

B. Economics

C. Markets

D. Industry

The tab that provides an overview of the global markets' performance and major news stories for the day is the one focused on "Markets." This section typically aggregates crucial information about how various indices are performing, highlights significant market movements, and presents relevant financial news that influences market conditions. It is designed to give users a quick snapshot of the market landscape, covering essential metrics and developments across different regions, thus helping them stay informed about the dynamics of global finance. This feature is particularly valuable for professionals making timely investment decisions or analyzing market trends. The other options serve different purposes: "Today's Top News" often zeroes in on specific news articles rather than providing a market-focused overview, "Economics" deals more with data and reports related to economic indicators, and "Industry" provides insights specific to certain sectors rather than a broad market performance analysis.

8. What is the name of FactSet's proprietary news aggregator that's written by financial professionals?

A. FactSet News

B. Newsboard

C. NewsSet

D. StreetAccount

The name of FactSet's proprietary news aggregator written by financial professionals is StreetAccount. This tool is designed to provide timely and relevant financial news and insights, which are essential for investment professionals who need to stay informed about market developments. StreetAccount consolidates information from various sources and presents it in a manner that is tailored for financial analysis, making it a valuable resource for users who require precise and pertinent news to inform their decision-making processes. Utilizing insights from financial professionals adds a layer of expertise, ensuring that the news curated in StreetAccount is not only relevant but also carries the context and analysis that financial practitioners need. This focus on professional expertise distinguishes StreetAccount from other news services that may not have the same level of industry-specific insight.

9. Which of the following is NOT a capability of Blackline Reports in FactSet?

A. Comparing registration documents

B. Automating data collection

C. Displaying real-time market data

D. Highlighting changes in public filings

The ability of Blackline Reports in FactSet encompasses a range of functions designed to enhance financial analysis and reporting. One of the key features is the capacity to compare registration documents, automate data collection, and highlight changes in public filings. These capabilities are specifically tailored to streamline the workflow of financial professionals by allowing them to efficiently track and analyze vital regulatory documents and data. Displaying real-time market data, however, is not within the scope of what Blackline Reports is designed to do. While FactSet as a platform offers extensive market data access and analytics, Blackline Reports focuses predominantly on the analysis and reporting of regulatory filings and does not provide real-time market updates or data streams. This distinction is crucial for users who require specific tools for their analysis; understanding that real-time data is available through other modules in FactSet, but not through Blackline Reports, clarifies how to effectively utilize the platform's various functions.

10. Is it necessary to manually refresh your workspace for the new Company/Security report to appear in the Company/Security tab's left pane?

A. True

B. False

In the context of using FactSet, it is indeed necessary to manually refresh your workspace for the new Company or Security report to appear in the corresponding tab's left pane. When new reports are generated or the existing reports are updated, the system does not automatically reflect these changes in your workspace. This is primarily to ensure that users have control over when they want to see new data or updates, allowing them to navigate their analysis without unexpected interruptions. By refreshing the workspace manually, users ensure that they are viewing the most current information relevant to their analysis needs. Furthermore, this process helps prevent any potential data overload and allows users to manage their interface more effectively, enabling a more customized and organized workflow.