**24.** What is the average return of a portfolio that has 10% invested in stock A, 40% invested in stock B and 50% invested in stock C?

Year                 Return
                 Stock A Stock B Stock C
       1          15%     12%        5%
       2          25%     14%       -6%
       3            8%       9%      10%
       4          16%      25%       1%
       5            5%       3%      15%

(Points: 2)
       9.92%
       15.32%
       13.80%
       8.92%

**23.** According to the CAPM (capital asset pricing model), the security market line is a straight line. The intercept of this line should be equal to (Points: 2)
       zero
       the expected risk premium on the market portfolio
       the risk-free rate
       the expected return on the market portfolio