

ESIF ENTRANCE EXAM

05/07/2025 - 03H00

GRAMMAR (10 Marks)

Exercise 1: Reported Speech (2 Marks)

Instructions: Rewrite the following sentences in reported speech. Make all necessary changes.

1. The CEO announced at the press conference, "Our company will launch its Initial Public Offering (IPO) next quarter."

2. "Have you analyzed the Q3 performance data yet?" the director asked the finance team.

Exercise 2: Passive Voice (2 Marks)

Instructions: Rewrite the following sentences in the passive voice. Maintain the original tense.

3. The central bank raised the key interest rates to combat inflation.

4. By the end of the fiscal year, our department will have audited all the subsidiary accounts.

Exercise 3: Verb Forms and Tenses (3 Marks)

Instructions: Choose the correct verb form or tense (A, B, C, or D) to complete each sentence.

5. If the market _____ (be) more stable last year, we _____ (invest) more heavily in equities.

a) was / would invest

b) had been / would have invested

c) is / will invest

d) has been / would invest

6. She _____ (already / file) the tax returns by the time the final deadline was announced.

a) already filed

b) had already filed

c) has already filed

d) was already filing

7. The firm avoids _____ (take) on high-risk clients without conducting thorough due diligence.

a) to take

b) taking

c) taken

d) take

Exercise 4: Conjunctions, Comparisons & Prepositions (3 Marks)

Instructions: Choose the best option (A, B, C, or D) or fill in the blank to complete each sentence.

8. This year's revenue is significantly _____ than last year's, exceeding all projections.
- a) more high b) higher
c) as high d) the highest
9. Our company has been a market leader in the fintech sector _____ more than a decade.
- a) since b) during
c) for d) in
10. It is crucial for financial analysts _____ (to analyze) market trends before advising clients.
- a) analyzing b) to analyze
c) analyzed d) analyze
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VOCABULARY (10 Marks)

Exercise 1: Phrasal Verbs in a Business Context (3 Marks)

Instructions: Choose the most appropriate phrasal verb to complete each sentence.

1. Due to the market's volatility, we decided to _____ the launch of the new investment fund.
- a) call off b) put off
c) take over d) look into
2. The new CEO plans to _____ the company's inefficient supply chain management.
- a) get along with b) do away with
c) come up with d) fall back on
3. Investors are trying to _____ their spending until the economy shows signs of recovery.
- a) cut down on b) get away with
c) put up with d) look forward to

Exercise 2: Contextual Financial Vocabulary (4 Marks)

Instructions: Choose the best word from the options to complete each sentence.

4. The company aims to increase its market share by _____ its main competitor.
- a) liquidating b) diversifying
c) acquiring d) depreciating
5. The government introduced new _____ policies to stimulate economic growth after the recession.
- a) fiscal b) menial
c) nominal d) trivial
6. A key duty of the CFO is to _____ the annual budget for all departments.

Furthermore, the rise of FinTech poses a direct challenge to the business models of traditional banks. These established institutions are often burdened by legacy IT systems and extensive regulatory compliance, making it difficult for them to compete with agile FinTech startups. In response, many banks are now choosing to either partner with or acquire FinTech companies, integrating their innovative solutions to enhance their own service offerings. This dynamic interplay between incumbent institutions and new entrants is creating a more competitive and innovative financial ecosystem.

The trajectory of FinTech suggests its influence will only grow. Its ability to leverage data, automation, and connectivity makes it an invaluable tool for creating a more efficient, inclusive, and transparent financial system. The future will likely involve deeper integration of technologies like Artificial Intelligence (AI) and blockchain, requiring careful stewardship from both regulators and industry players to harness FinTech's power for global economic good while mitigating its inherent risks.

Exercise 1: Multiple Choice (4 Marks)

Instructions: Choose the best answer for each question based on the text.

1. What is the primary definition of FinTech given in the text?
 - a) A new type of cryptocurrency.
 - b) A back-office support system for old banks.
 - c) Any technology used to improve or automate financial services.
 - d) A government agency that regulates finance.
2. According to the text, what is one of the most immediate impacts of FinTech in the banking sector?
 - a) It has made traditional banking more expensive.
 - b) It has increased financial inclusion, especially in developing regions.
 - c) It has reduced the need for data security.
 - d) It has eliminated all physical bank branches.
3. Which of the following is NOT mentioned as a type of FinTech innovation?
 - a) Robo-advisors
 - b) Crowdfunding platforms
 - c) Traditional paper-based accounting
 - d) Mobile money services
4. What is a major regulatory concern mentioned regarding FinTech?
 - a) Its inability to process large amounts of data.
 - b) Its potential to perpetuate bias through algorithms.

- c) Its slow development speed.
- d) Its lack of influence on consumer behaviour.

Exercise 2: True/False/Not Given (3 Marks)

Instructions: Write **TRUE** if the statement is true, **FALSE** if it is false, or **NOT GIVEN** if the information is not provided.

- 5. FinTech's influence is limited to developed countries only. _____
- 6. Traditional banks are exclusively competing with, and not collaborating with, FinTech startups. _____
- 7. International cooperation is considered important for regulating FinTech. _____

Exercise 3: Meaning of Key Terms (3 Marks)

Instructions: Explain the meaning of the following terms as they are used in the text.

- 8. **Disruptive** (Paragraph 1): What does the text mean by stating FinTech is a "disruptive force"?
- 9. **Inclusion** (Paragraph 2): In the context of banking, what does "financial inclusion" refer to?
- 10. **Incumbent** (Paragraph 5): What does it mean to refer to traditional banks as "incumbent institutions"?

ESSAY WRITING (10 Marks)

Instructions: Choose ONE of the following topics and write an essay of approximately 200-250 words. Organize your ideas clearly and use appropriate financial and economic vocabulary.

Question 1:

Statement: "The only social responsibility of a business is to increase its profits."

Do you agree or disagree with this statement? State your opinion and provide specific reasons and examples from the world of finance or business to support your view.

Question 2:

Statement: "Cryptocurrencies like Bitcoin represent the future of finance and will eventually replace traditional government-issued currencies."

Do you agree or disagree with this statement? State your opinion and discuss the potential opportunities and challenges associated with this view.