

TB145410A

Reg. No.....

Name.....

B. A. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2016
SEMESTER V - CORE COURSE (ECONOMICS)
ECO5EFM - ECONOMICS OF FINANCIAL MARKETS

Time: Three hours

Maximum Marks: 80

PART A

Short answer questions

I. Answer all questions. Each question carries 1 mark.

1. What is financial system?
2. Define pension funds.
3. Explain the term transmutation.
4. Define financial markets.
5. Name a money market instrument of the unorganized money market.
6. Explain BOLT.
7. What is underwriting?
8. What do you mean by kerb trading?
9. Explain FTSE.
10. What are blue chip shares?

(10x1=10)

PART B

Brief answer questions

II. Answer any eight questions. Each question carries 2 marks.

11. Distinguish between primary security and secondary security.
12. Give a short description of scheduled banks.
13. What are hire-purchase finance companies?
14. Compare money market and capital market.
15. Give a short description of DFHI.
16. What are the main functions of merchant banks?
17. Distinguish between call and put option.
18. What are the salient features of equity shares?
19. Comment on the significance of Nifty.
20. Explain ESOP.
21. Write short notes on BSE.
22. Discuss the relevance of a dynamic capital market in India.

(8x2=16)

PART C

Short essay questions

III. Answer any six questions. Each question carries 4 marks.

23. Write a note on LIC.

24. Explain a guilt-edged security.
25. Briefly explain the structure of Indian banking system.
26. Elucidate the advantages of a developed money market.
27. Comment on New York money market.
28. What are the advantages of screen based trading over auction trading?
29. Differentiate between ADR and GDR? Why do companies issue these?
30. Write short notes on CRISIL.
31. SEBI is the watchdog of Indian capital market. Comment.

(6x4=24)

PART D

Long essay type questions

IV . Answer any two questions. Each question carries 15 marks.

32. Which are the major NBFIs operating in the country?
33. When the T-Bill matures March 7, 2009 it pays \$100,000. This means I earned \$134.53 over 29 days. Calculate the time line.
34. What are the different methods of public issue?
35. Briefly explain changes in Indian capital market.

(2x15=30)