

TB144140B

Reg. No:

Name:

**B. COM. DEGREE (C.B.C.S.S) EXAMINATION, MARCH 2017
(Supplementary – 2014 Admission)
SEMESTER IV - COMMERCE
COM4CM – CAPITAL MARKET**

Time: Three Hours

Maximum Marks: 80

PART A

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

1. Define financial system.
2. What is money market?
3. What are treasury bills?
4. What is stock exchange?
5. What is NASDAQ?
6. What is SENSEX?
7. What is a swap?
8. What is an option?
9. What is bonus issue?
10. What is online trading?

(10x1=10)

PART B

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

11. What is capital market?
12. What is meant by market capitalization?
13. What are forward contracts?
14. Distinguish between book building and fixed price issue.
15. What is underwriting?
16. What are the advantages of listing of shares?
17. What is a stock index?
18. What is American option?
19. What is dematerialization?
20. What are currency futures?
21. What is hedging?
22. What is arbitrage?

(8x2=16)

PART C

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

23. What are the factors affecting option premium?
24. What are the functions of the primary market?
25. Explain the objectives of SEBI.

26. What is the importance of stock exchanges?
27. Distinguish between investment and speculation.
28. What are the uses of derivatives?
29. What are the characteristics of money market?
30. What are the advantages of private placement of shares?
31. Distinguish between forward contract and futures contract.

(6x4=24)

PART D

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

32. Distinguish between money market and capital market.
33. Explain the role of different intermediaries in the primary market.
34. Define derivatives. Explain briefly different types of derivative contracts.
35. Explain the role and functions of SEBI.

(2x15=30)