

**SET 2**

**Reg. No .....**

**Name.....**

**BA DEGREE (C.B.C.S.S) EXAMINATION , OCTOBER 2016**

**SEMESTER V – ECONOMICS**

**ECO5EFM – ECONOMICIS OF FINANCIAL MARKETS**

**Time: Three hours**

**Maximum**

**Marks: 80**

**PART A**

I. Short answer questions (Answer all questions. Each question carries 1 Mark)

1. Define non-bank financial intermediaries
2. What do you mean by insurance companies
3. Discuss provident fund
4. Define venture capital fund
5. What is Bearer bonds
6. Explain LIBOR
7. What are Treasury bills
8. Discuss Debentures
9. Comment on the rationale for BOLT
10. Define derivatives

(10 × 1 = 10)

**PART B**

II. Brief answer questions (Answer any eight questions. Each question carries 2 marks)

11. Distinguish between equity shares and preference shares
12. Discuss the components of London money market
13. Explain LIC
14. Distinguish between money market and capital market
15. Distinguish between ADR and GDR
16. Discuss guilt-edged securities
17. Write a note on ESOP
18. Write a note on stock futures
19. Discuss the constituents of rural money market in India
20. Discuss DFIs and QIBs
21. Discuss functions of financial system
22. Comment on primary securities and secondary securities

(8 × 2= 16)

### **PART C**

III. Descriptive (Short essay questions) (Answer any six questions. Each question carries 4 marks)

23. Discuss the services of investment banks
24. Define mutual funds. What are the major advantages of investment through mutual funds
25. Explain features of Indian money market
26. What are principal forms of government securities
27. Briefly explain Dow Jones, NASDAQ, FTSE and Nikkei
28. What are the functions of stock exchanges
29. Discuss the advantages of developed money market
30. Distinguish between monetary and non-monetary financial institutions
31. Briefly explain different methods of public issue

(6 × 4 = 24)

### **PART D**

IV. Long Essay type questions (Answer any two questions). Each question carries 15 marks

32. Briefly discuss the major monetary and non-monetary financial institutions.
33. Discuss the major institutions in primary market
34. What is credit rating? Discuss major credit ratings agencies in India
35. What are the major instruments used in Indian money market?

(15 × 2 = 30)

