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Name.....

Reg. No.....

FOURTH SEMESTER M.A. DEGREE EXAMINATION, APRIL 2020

(CUCSS - PG)

(Regular/Improvement/Supplementary)

CC15P ECO4 C14 – FINANCIAL MARKETS

(Economics)

(2015 Admission onwards)

Time: Three Hours

Maximum:36 Weightage

Part A (Objective Type)

Answer *all* questions. Each question carries ¼ weightage.

1. The new issue market is also known as _____ markets.
a) Secondary b) Used c) Old d) Primary
2. The new governor of RBI is _____
a) Shaktikanta Das b) D. Subba Rao c) Urjit Patel d) Raghuram Rajan
3. A _____ is a general name for a depository receipt where a certificate issued by a depository bank, which purchases shares of foreign companies, creates a security on a local exchange backed by those shares.
a) GDR b) ADR c) CDR d) All the above
4. EXIM bank was set up in _____
a) 1971 b) 1981 c) 1991 d) 2001
5. FCNR account is a term deposit account that can be maintained by _____
a) Government b) NRI in foreign currency
c) Central bank d) all the above
6. The treasury bills will become mature in _____
a) 91 days b) 364 days c) Both a and b d) 365days
7. The headquarters of SEBI is at _____
a) Pune b) Mumbai c) Gujarat d) Chennai
8. _____ is markets for short term financial assets have a maturity less than one year
a) Money market b) Capital market
c) Both a and b d) None of the above
9. _____ is the credit rating agency
a) SEBI b) ICICI c) CRISIL d) IDBI

10. The market for long term funds _____

- a) Money market b) Call money market
c) Capital market d) Treasury bill market

11. The accounting year for the Reserve Bank of India is _____

- a) October-September b) April-March
c) January-December d) July-June

12. _____ is a derivative in which two counterparties exchange cash flows of one party's financial instrument for those of the other party's financial instrument.

- a) Futures b) Options c) Both a and b d) Swaps

(12 x ¼ = 3 Weightage)

Part B (Very Short Answer Type)

Answer any *five* questions. Each question carries 1 weightage.

13. What are Interbank markets?

14. Define inclusive growth.

15. What are repurchase agreements?

16. What are Participatory Notes?

17. What are the main types of options?

18. Define FCCB.

19. Distinguish between ADR and GDR.

20. What is credit rating?

(5 x 1 = 5 Weightage)

Part C (Short Answer Type)

Answer any *eight* questions. Each question carries 2 weightage.

21. What do you mean by the demutualization of stock exchanges?

22. Point out the main difference between commercial bills and treasury bills.

23. Distinguish between Euro bonds and Euro notes.

24. Explain discount house.

25. Give a note on insider trading.

26. What are the main functions of Stock Holding Corporation of India?

27. Point out the main features of call money market.

28. Write a note on the main participants in financial markets?

29. What are futures? What are the different types of futures?

30. Explain the trading mechanism in stock exchanges.

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31. What are the main reasons for the growth of Euro currency market?

(8 x 2 = 16 Weightage)

Part D (Essay Type)

Answer any *three* questions. Each question carries 4 weightage.

32. What do you mean by secondary market? Point out its main functions and instruments?

33. Give a detailed sketch on the instruments in the global financial markets.

34. Write an essay on the role of financial intermediaries for the growth and development of an economy?

35. What do you mean by derivative market and give a detailed picture on the participants in the derivative market?

36. Explain briefly the objectives, functions and powers of SEBI.

(3 x 4 = 12 Weightage)

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