

24U137

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Name : .....

Reg. No : .....

**FIRST SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2024**

(FYUGP)

**CC24U ECO1 FM105 - SECURITY TRADING PRACTICES**

(B.A. Economics - MDC)

(2024 Admission - Regular)

Time: 1.5 Hours

Maximum : 50 Marks

Credit: 3

**Part A** (Short answer questions)

Answer *all* questions. Each question carries 2 marks.

1. What is a depository participant (DP) in relation to CDSL? [Level:1] [CO1]
2. What are bonus shares, and why are they issued by companies? [Level:1] [CO1]
3. What does the EV/EBITDA ratio represent in financial analysis? [Level:1] [CO2]
4. Explain qualitative fundamental analysis. [Level:2] [CO2]
5. What is a price chart, and why is it important in technical analysis? [Level:1] [CO2]
6. Define the four tier structure of NSE indices industry classification. [Level:1] [CO3]
7. What is a demat account? [Level:1] [CO3]
8. Distinguish between realized return and the expected return. [Level:4] [CO4]
9. How can an investor use diversification to manage risk in their portfolio? [Level:1] [CO4]
10. What is cumulative return? [Level:1] [CO4]

**(Ceiling: 16 Marks)**

**Part B** (Paragraph questions/Problem)

Answer *all* questions. Each question carries 6 marks.

11. Write a short note on major indices of BSE and NSE. [Level:1] [CO1]
12. Discuss the FII and DII. [Level:2] [CO1]
13. What are the importance of technical analysis? [Level:1] [CO2]
14. What is a Profit & Loss (P&L) statement, and why is it important for businesses? [Level:1] [CO3]
15. Explain trader psychology. [Level:2] [CO4]

**(Ceiling: 24 Marks)**

**Part C (Essay questions)**

Answer any *one* question. The question carries 10 marks.

16. Discuss the Importance of Market Liquidity in the Context of Primary and Secondary Markets. [Level:2] [CO1]

17. Discuss the key assumptions and basic postulates of Capital Asset Pricing Model [Level:2] [CO3]

**(1 × 10 = 10 Marks)**

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