

17P430

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Name.....

Reg. No.....

**FOURTH SEMESTER M.A. DEGREE EXAMINATION, APRIL 2019**

(CUCSS - PG)

(Economics)

**CC15P ECO4 C14 – FINANCIAL MARKETS**

(Regular/Improvement/Supplementary)

(2015 Admission onwards)

Time: Three Hours

Maximum:36 Weightage

**Part A**

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

1. Government securities are also known as .....
  - a) Financial securities
  - b) Gilt edged securities
  - c) Money market securities
  - d) None of the above
2. 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
3. Cheque is a .....
  - a) Negotiable instrument
  - b) Non –Negotiable instrument
  - c) Bill of exchange
  - d) None of the above
4. The maturity of treasury bill is .....
  - a) 91 days
  - b) 364 days
  - c) Both a and b
  - d) None of the above
5. Conversion of a share certificate in physical form to electronic form is known as .....
  - a) Rematerialisation
  - b) Dematerialisation
  - c) Both a and b
  - d) Certificates of deposits
6. .... is the credit rating agency
  - a) SEBI
  - b) ICICI
  - c) CRISIL
  - d) IDBI
7. The ..... is fixed by the Central bank at which it rediscounts first class bills of exchange and government securities held by the commercial banks.
  - a) Statutory Liquidity Ratio
  - b) Open market operations
  - c) Bank Rate
  - d) Cash Reserve Ratio
8. The market for long term funds .....
  - a) money market
  - b) call money market
  - c) capital market
  - d) treasury bill market

9. The market for new issue is known as .....
- a) Primary markets                      b) Stock exchange  
c) Secondary market                      d) None of the above
10. EXIM bank was set up in .....
- a) 1971              b) 1981              c) 1991              d) 2001
11. Headquarters of SEBI is at .....
- a) Calcutta              b) Delhi              c) Mumbai              d) Pune
12. Commercial paper is a form of .....
- a) Capital market instrument              b) Money market instrument  
c) Both a and b                                  d) None of the above

(12 x ¼ = 3 Weightage)

**Part B**

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

13. Distinguish between ADR and GDR
14. What are treasury bills?
15. Define financial inclusion.
16. What is Negotiable certificate of deposits?
17. What are P-Notes?
18. Explain discount house.
19. Write a note on FCCB
20. What is credit rating?

(5 x 1 = 5 Weightage)

**Part C**

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

21. What are the main functions of financial markets?
22. What are the features of call money market?
23. Distinguish between commercial bills and treasury bills.
24. Write a short note on insider trading.
25. Write a note on the main participants in financial markets.
26. What are futures? What are the different types of futures.
27. Distinguish between Euro bonds and Euro notes.
28. Explain the role of financial intermediaries in an economy.
29. Write a shot note on types of financial markets.

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30. What are the different trading mechanics under option trading.
31. What is meant by demutualization of stock exchanges?

(8 x 2 = 16 Weightage)

**Part D**

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

32. Write an essay on the objectives, functions and powers of SEBI
33. What do you mean by secondary market? Point out its main functions and instruments.
34. Give a detailed sketch of the structure of Indian money market.
35. Write an essay on the features and reasons for the growth of Euro currency market.
36. What do you mean by money market? Explain in detail the major instruments of the money market.

(3 x 4 = 12 Weightage)

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