

2021

FINANCIAL MARKETS MANAGEMENT

Marks: 70

Time: 3 hours

General instructions:

- i) *Approximately 15 minutes is allotted to read the question paper and revise the answers.*
- ii) *The question paper consists of 24 questions. All questions are compulsory.*
- iii) *Marks are indicated against each question.*
- iv) *Internal choice has been provided in some questions.*

N.B: *Check that all pages of the question paper is complete as indicated on the top left side.*

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|-----|---|-------|
| 1. | What is meant by interest? | 1 |
| 2. | What is an American Depository Receipt? | 1 |
| 3. | Write the meaning of liquidity. | 1 |
| 4. | What is known as tracking error? | 1 |
| 5. | What is meant by yield to maturity? | 1 |
| 6. | What is the holding period for long term capital? | 1 |
| 7. | Write the meaning of indexation. | 1 |
| 8. | Give the full form of SIP. | 1 |
| 9. | State any two functions of a custodian. | 2 |
| 10. | Differentiate between public issue and private placement. | 2 |
| 11. | What are gross block and net block? | 2 |
| 12. | What is compound interest? Give its formula. | 1+1=2 |
| 13. | What is SWP (Systematic Withdrawal Plan)? | 2 |
| 14. | Define securities. What is the function of securities market? | 2+2=4 |
| 15. | What is a bond? Explain the various types of bonds. | 1+3=4 |

16. Explain any two points how to systematically analyse a company. 4
17. How does AUM affect portfolio turnover? 4
18. Explain any four schemes offered by mutual funds. 4
19. What are ETFs? State its salient features. 1+3=4
20. What are fixed maturity plans and gilt funds? 4
21. a. Write six precautions one must take before investing in the stock market. 6
- Or**
- b. State the reasons for buying equity shares. Explain the factors that influence the price of a stock. (3+3=6)
22. a. Explain the different types of turnover ratios. 6
- Or**
- b. What is meant by time value of money? How is time value of money computed? (2+4=6)
23. a. Explain mutual funds structure in India. 6
- Or**
- b. Explain any six equity schemes.
24. a. Write a note on Gold-ETFs. Give the disadvantages of holding physical gold. 3+3=6
- Or**
- b. How can stress listing of assets be identified? (6)
