



Reg. No. :

Name :

Sixth Semester B.A. Degree Examination, April 2019
First Degree Programme Under CBCSS
Economics
Core Course – XII
EC 1642 : FINANCIAL ECONOMICS
(2015 Admission Onwards)

Time : 3 Hours

Max. Marks : 80

SECTION – I

Answer **all** questions. **Each** question carries **one** mark.

1. Sensex.
2. Money Market.
3. Treasury Bill.
4. Bond.
5. Bear.
6. Insider Trading.
7. BSE – BOLT.
8. NBFIs.
9. DFHI.
10. Stag.

(10×1=10 Marks)



SECTION – II

Answer **any 8** questions **not** exceeding **one** paragraph. **Each** question carries **two** marks.

11. What are derivatives ?
12. List out the functions of credit rating agencies.
13. Define gilt-edged securities.
14. Stock exchanges.
15. What do you mean by the term 'promissory note' ?
16. What is blue-chip shares ?
17. Briefly illustrate Dow-Jones Index.
18. Explain the mechanism of listing of securities.
19. What are the operations of discount houses ?
20. Trace out the meaning of stock market indices.
21. What is Money Market Mutual Fund ?
22. PFRDA.

(8×2=16 Marks)

SECTION – III

Answer **any six** questions **not** exceeding **120** words. **Each** question carries **4** marks.

23. How can you distinguish debt market from equity market ?
24. Explain the structure and components of financial system of India.
25. What is Risk ? Bring out the different types of risks in the financial market.
26. What are financial instruments ? Trace out the major capital market instruments.
27. Briefly explain the components of Indian money market.



28. What do you mean by the term 'Depositories' ? Examine the structure and functions of NSDL.
29. Trace out the major differences between primary market and secondary market.
30. Examine the origin, structure and functions of National Stock Exchange (NSE).
31. Define the terms options, futures and swaps with illustrations. **(6×4=24 Marks)**

SECTION – IV

Answer **any two** questions, **not** exceeding **four** pages. **Each** question carries **15** marks.

32. "The role of financial system in the socio-economic development of the country is immense." Comment in your own words.
 33. Briefly explain the functions, powers and structure of SEBI.
 34. Discuss the types and mechanism of various methods of floating new issues in the primary market.
 35. Bring out the salient features, functions and role of secondary market in a country like India. **(2×15=30 Marks)**
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