

**B. A. DEGREE END SEMESTER EXAMINATION - OCTOBER 2019****SEMESTER –5: ECONOMICS (CORE COURSE)****COURSE: 15U5CRECO10: ECONOMICS OF FINANCIAL MARKETS**

*(Common for Regular 2017 Admission & Improvement 2016/Supplementary 2016/2015 Admissions)*

Time: Three Hours

Max. Marks: 75

**PART A** (Define the following)

Answer **all** questions in one or two sentences.

Each question carries **1** mark.

1. Financial intermediaries.
2. Secondary security.
3. Transmutation.
4. Repo rate.
5. Underwriting.
6. Speculation.
7. Blue chip shares.
8. Screen based trading.
9. Demat share.
10. CARE.

(1 × 10 =10)

**PART B**

Answer **any eight** of the following in three or four sentences.

Each question carries **2** marks

11. Explain schedule banks.
12. Define pension fund.
13. What is financial system?
14. Distinguish between money market and capital market.
15. Give a brief picture of participants of money markets.
16. Comment on the significance of Nifty.
17. Differentiate between bonus issue and rights issue.
18. Give an account of indigenous bankers in money market.
19. What are Foreign Currency Convertible Bonds?
20. What are Nikkei and Dow Jones?

(2 × 8 = 16)

**PART C**

Answer **any five** of the following not exceeding one page

21. Examine the functions of SEBI.
22. Discuss the characteristics of government securities market.
23. Examine the structure of capital market.

24. Elucidate the advantages of a developed money market.
25. Write a note on CRISIL.
26. What are the features of ADRs and GDRs.
27. Examine the role played by DFHI. (5 x 5 = 25)

**PART D**

*Answer **any two** of the following in not exceeding four pages.*

*Each question carries **12** marks*

28. What is a financial system? Which are the major constituents of a financial system? Discuss its major functions.
29. Examine the different money market instruments.
30. What are derivatives? Examine different types of derivatives
31. Which are the major institutions rendering depository services in India? Write a note on them. (12 × 2 = 24)

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