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.

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.

Or **6**

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.

Or **6**

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.

Or **6**

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)

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