

**CARMEL COLLEGE OF ARTS, SCIENCE & COMMERCE FOR WOMEN,
NUVEM-GOA**

SEMESTER END EXAMINATION, JULY 2021

Semester: IV of B.A

Subject: Economics

Course name & Code- Financial Economics (ECS 104)

Total marks: 40 Date:17/07/2021 Duration: 2 Hrs Total No of pages: 01

Instructions: 1. All questions are compulsory.

2. Figures to the right indicate marks.

Q1. Answer any five of the following questions :- **(5X2)**

- i. Distinguish between corporate security market and gilt-edge market in India.
- ii. Explain the concept of 'Valuation'
- iii. Examine the difference between 'Forward Contract and Futures Contract'
- iv. Highlight the importance of portfolio diversification.
- v. Name the regulator of security market in India. Explain its functions.
- vi. Examine the difference between yield to maturity and current yield.
- vii. Differentiate between arbitrage and hedging operations.
- viii. What do you understand by the term portfolio?

Q2. Answer any six of the following questions: - **(6X5)**

- i. Discuss the meaning, nature and composition of secondary market.
- ii. Define derivatives and state its uses.
- iii. Explain the 'Efficient market theory'.
- iv. What is portfolio management and explain the activities involved in portfolio management.
- v. Explain the nature and composition of regulatory framework of security market in India.
- vi. Discuss the fundamental analysis of valuation of shares.
- vii. Distinguish between Options and Swaps.
- viii. Explain portfolio performance evaluation.

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