

MULTIPLE CHOICE QUESTIONS FOR MCOM – (MC4C15)**FINANCIAL MARKET & INSTITUTION**

1. Money market where securities are issued by Govt's to obtain funds for short term is classified as
 - a) Money market instruments
 - b) Capital market instruments
 - c) Counter instruments
 - d) Long term instruments
2. Composite value of traded stock groups of secondary markets is classified as
 - a) Stock index
 - b) Primary index
 - c) Stock market index
 - d) None of these
3. Who regulates mutual fund industry?
 - a) RBI
 - b) SEBI
 - c) AMFI
 - d) IRDA
4. Under Provident Fund Act 1952 "insurance fund" means
 - a) Unit linked insurance plan
 - b) Deposit linked insurance fund
 - c) Employees group accident insurance
 - d) Medical insurance fund
5. Stock market in which already issued stocks are re-sold and re-bought are classified as
 - a) Red herring stock market
 - b) Pre-emptive stock market
 - c) Silence stock market
 - d) Secondary stock market
6. What is the important role of a commodity exchange?
 - a) Provide liquidity
 - b) Maintain market balance
 - c) Provide security against risk
 - d) All of these
7. Which of these following in charge of future trading?
 - a) State Govt
 - b) Central Govt
 - c) Forward market commission
 - d) None of these
8. Bonds that does not pay any interest rate are considered as
 - a) Interest free bonds
 - b) Zero coupon bond
 - c) Priceless coupon bond
 - d) Useless price bond

9. In the foreign exchange market, the of one country is traded for the of another country
- Currency : Currency
 - Currency : Financial instrument
 - Currency : Goods
 - Goods : Goods
10. The date of settlement for a foreign exchange transactions is referred to as
- clearing date
 - Swap date
 - Maturity date
 - Value date
11. Who is the first chairman of NABARD?
- B.Sivaraman
 - C.Shivan
 - Jayaram Ramesh
 - Arun Jatily
12. are bonds issued in a country other than that of the currency of denomination?
- Convertible bonds
 - Euro bonds
 - Foreign bonds
 - Junk bonds
13. In capital market major suppliers of trading instruments are ;
- Government & Corporations
 - Liquid Corporations
 - Instrumental Corporations
 - Manufacturing Corporations
14. Type of Financial Market in which Corporations issues new fund to raise funds is classified as
- Flow Market
 - Primary Market
 - Secondary Market
 - Funding Market
15. Money Market where debt and stocks are traded and maturity period is more than a year is classified as
- Short Term Market
 - Capital Market
 - Counter Market
 - Long Term Market

Answer Key : 1.(a). 2. (c). 3.(b). 4.(b). 5. (d). 6. (a). 7. (d). 8. (b). 9. (a). 10. (d). 11. (a). 12. (b). 13. (a). 14. (b). 15 (b)