

1111  
1111  
1111  
1111  
1111

**MASTER OF BUSINESS ADMINISTRATION  
(FINANCIAL MARKETS)  
(MBAFM)**

**Term-End Examination**

**June, 2014**

**MCT-081 : MARKET INSTRUMENTS AND  
PROCESSES - EXISTING, NEW AND EMERGING**

*Time : 3 hours*

*Maximum Marks : 100*

*Note : Attempt any five questions. All questions carry equal marks.*

- 
1. What are ETFs and which type of investors must consider ETFs as an investment opportunity ? Explain the various types of ETFs and discuss the advantages and disadvantages of each type. 20
  2. What are 'Financial Products' ? Explain the major types of financial products traded/sold in the Indian markets and discuss their important features. 20
  3. What is a Depository ? Explain the various services provided by it and the deal process followed by it. 20
  4. What are Treasury Bills and how they are priced ? Describe the features of Government Securities. 20

5. Comment on the interest rate scenario in India. 20  
In this context explain what are interest rate futures ? What are the benefits of interest rate futures to different types of users ?
6. How did currency swaps originate ? How did this 20  
lead to the development of the swap market ?  
What are the advantages of currency swap ?
7. Explain the following in detail : 10+10  
(a) Smart Order Routing  
(b) Algo Trading
8. What is Financial Engineering ? Discuss the 20  
various variables that contribute to new financial  
product development.
-