

(6 pages)

Reg. No. : .....

Code No. : 10343 E Sub. Code : ESEC 21/  
FSEC 21

B.A. (CBCS) DEGREE EXAMINATION,  
APRIL 2025.

Second Semester

Economics

ECONOMICS FOR INVESTORS

(For those who joined in July 2023 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choosing the correct answer.

1. Investment is the process of an asset  
\_\_\_\_\_.
- (a) Buying (b) Selling  
(c) Mortgaging (d) None of these

2. Which one of the following is included in the type of saving?
- (a) Provident fund  
(b) Deposit Account  
(c) Life Insurance Scheme  
(d) All of these
3. Traditional investments included.
- (a) Bonds (b) Cash  
(c) Real estates (d) All of these
4. All investor invest in asset is known as a  
\_\_\_\_\_.
- (a) Securities  
(b) Block of Assets  
(c) Portfolio  
(d) Mutual Fund
5. In Capital Market every investment is  
\_\_\_\_\_.
- (a) Finitely divisible  
(b) infinity divisible  
(c) both (a) and (b)  
(d) none of the above

6. The Largest Foreign Exchange Market in the world is \_\_\_\_\_.
- (a) New York                      (b) London  
(c) Japan                            (d) Swiss
7. Economic growth can be measured by \_\_\_\_\_.
- (a) PCI                                (b) NNP  
(c) GDP                                (d) MPC
8. The lowest point in the trade cycle is referred as \_\_\_\_\_.
- (a) Boom                              (b) recession  
(c) depression                      (d) recovery
9. Statement of Cash flows include \_\_\_\_\_.
- (a) Financial activities  
(b) operating activities  
(c) investing activities  
(d) all of these

10. The Formula for Risk Reward Ratio is.
- (a) Potential Risk in Trading / Expected Reward  
(b) Expected Reward/potential Risk in Trading  
(c) Net Assets = Total Assets – Total Liabilities  
(d) Total asset turnover = Net Sales revenue / Average total assets

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Write a Short note on Saving and Investment.
- Or
- (b) Briefly explain the distribution role of Investment.
12. (a) State about cash Investment.
- Or
- (b) Write a note on mutual fund.

13. (a) What are the elements of Capital Market?

Or

(b) Give a Brief note on Hedging and its uses.

14. (a) Distinguish between Economic Growth and Development.

Or

(b) What are the reasons behind the war between two countries?

15. (a) Discuss about Capital Gains.

Or

(b) Mention the importance of risk rewarding in investment strategy.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Explain the different types of Investment.

Or

(b) Discuss the Importance of Saving and Investment.

17. (a) Describe the traditional Investment Instruments.

Or

(b) Explain the Portfolio Investment and its Components.

18. (a) Discuss the Functions of Capital Market.

Or

(b) Explain the Instruments Money Market.

19. (a) Examine the Phases of trade cycle.

Or

(b) What are the factors influences in International Economic Environment?

20. (a) Write a note on a Risk Distribution Investment Strategy.

Or

(b) Write a short note on Asset Accumulation and Asset Management.