



ALLAMA IQBAL OPEN UNIVERSITY
Semester Terminal Exam Autumn 2020

Program /level:	BS /Graduation	Maximum Marks	100
Title /Course Code	Money and Capital Markets (8526)	Pass marks	50

Instructions for Exams:

1. Attempt All Questions.
2. Write answers in your own words and avoid copying from an internet source or any book.
3. Be precise, avoid unnecessary details, answer to each question must be between 600-800 words.
4. Students are advised to upload their answer sheets/solutions on LMS portal as soon as they complete their answers and not to wait for 8:30 PM.
5. Submissions after due date & time will not be entertained. Attach undertaking with each course code which were allowed to attempt in Urdu.
6. If plagiarism found, Student may be declared fail.

Q. No.	Questions	Marks
1	Financial institutions act as intermediary between lenders and borrowers to supply funds at market determined price. Keeping this in mind, explain the different types of financial institutions.	33
2	Briefly comment on the following theories of financial markets; i. Dividend Relevance Theory ii. Efficient Market Hypothesis iii. Modern Portfolio Theory	33
3	Comment on the following concepts of finance; i. Stock Split ii. Forward Contracts iii. Capital Gains iv. Term Finance Certificates v. Monetary Policy vi. Bonus Shares	34