

QP CODE 207551315

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**DMI-ST. EUGENE UNIVERSITY**  
**ZAMBIA**

**DEGREE EXAMINATION – JUNE 2024**

**550 AC 031 FINANCIAL SERVICES AND MARKETS**

**Semester: VII**

**Time: 3:00 Hours**

**Max. Marks: 100**

**Answer any FIVE Questions (5 x 20 = 100 Marks)**

1. a) Explain the demerits of a financial system. (5 Marks)  
b) Write short notes on money markets. (5 Marks)  
c) Explain the Financial Instruments used in a Capital Market. (10 Marks)
2. a) Enumerate the key reasons as to why government issues T-Bill.? Point out its merits. (10 Marks)  
b) How is the call rate determined in a financial market? (10 Marks)
3. a) Explain the importance of the stock exchange to a country. (10 Marks)  
b) Discuss in detail the Objectives of the Central Bank. (10 Marks)
4. a) Explain the functions of credit rating. (10 Marks)  
b) The Mutual funds are a collection of pool of funds of investors” explain this assertion in detail. (10 Marks)
5. a) As a financial advisor, explain your main role to investors and what kind of services you would render to them. (10 Marks)  
b) Explain the importance of credit cards and debit cards in a financial market. (10 Marks)
6. a) What is the Financial Services Sector? (5 Marks)  
b) Elucidate the importance of financial systems in Zambia. (10 Marks)  
c) Write short notes on Financial instruments. (5 Marks)
7. a) Outline and discuss the Powers of a Lusaka stock exchange. (10 Marks)  
b) Discuss the key functions of the Bank of Zambia. (10 Marks)