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**DMI-ST.EUGENE UNIVERSITY**  
**DEGREE EXAMINATION – DECEMBER – 2022**

**SEM: VIII**

**550AC031 FINANCIAL MARKETS AND SERVICES**

Time: 3 Hours

Max. Marks: 100

**Answer any Five questions (5 x 20 = 100 Marks)**

1. a) State the functions of financial services. (8 Marks)  
b) State the functions of stock market. (8 Marks)  
c) What are the benefits of fee-based investing? (4 Marks)
2. a) State the roles of financial services in an economy. (4 Marks)  
b) Describe what financial guarantees are with examples. (4 Marks)  
c) List and explain the four types of financial guarantees (12 Marks)
3. a) Define financial services (2 Marks)  
b) Explain how investment is made in venture Capital. (8 Marks)  
c) What do you understand by venture capital? (2 Marks)  
d) List out the advantages and disadvantages of invoice factoring. (8 Marks)
4. a) Define hire purchase? (2 Marks)  
b) What is an insurance? (2 Marks)  
c) Give an overview on how Insurance works. (4 Marks)  
d) Briefly explain how premiums are calculated(12 Marks)
5. a) Define Credit Rating? (2 Marks)  
b) State the two types of financial services. (2 Marks)  
c) State the characteristics of credit rating. (4 Marks)  
d) List and explain the different types of fee based Financial services. (12 Marks)
6. a) Define factoring. (2 Marks)  
b) Explain how invoice factoring works. (2 Marks)  
c) List the methods of Venture capital financing. (4 Marks)

d) List and explain the venture capital funding process. (12 Marks)

7. a) What does equity finance mean? (2 Marks)

b) What is debt financing? (2 Marks)

c) State the characteristics of Financial Services. (4 Marks)

d) List and explain the types of Financial services in Zambia. (12 Marks)