



UNIVERSITY EXAMINATIONS
SECOND YEAR EXAMINATION FOR THE AWARD OF THE
DIPLOMA IN ACCOUNTING AND FINANCE
FIRST SEMESTER 2023/2024
[AUGUST-DECEMBER, 2023]

DIAF 0213: FINANCIAL MARKETS

STREAM: Y2 S1

TIME: 2 HOURS

DAY: THURSDAY, 12.00 – 2.00 P.M.

DATE: 30/11/2023

INSTRUCTIONS

- 1. Do not write anything on this question paper.***
- 2. Answer Questions ONE and any other THREE Questions***

QUESTION ONE (COMPULSARY)

(25MARKS)

- a) Describe the following terms as used in financial markets (10marks)
- Money markets
 - Capital markets
 - Shares
 - Debentures
 - Listing
- b) Describe the features of secondary markets (5marks)
- c) Describe the key functions of financial markets. (10marks)

QUESTION TWO

Stock Exchange plays several functions in the markets. Briefly describe some of the functions. (15marks)

QUESTION THREE

- a) Describe the differences between primary markets and secondary markets. (10marks)
- b) By the aid of a digram, describe the main functions of primary markets. (5marks)

QUESTION FOUR

Describe the functions of capital markets. (15marks)

QUESTION FIVE

Describe various financial intermediaries and their major roles in the money market. (15marks)