



B.K. BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS
A CBSE DAY-CUM-BOYS' RESIDENTIAL SCHOOL

POST MID TERM TEST, 2025-26 FINANCIAL MARKET MANAGEMENT 805

Class: XI
Date: 10/01/2026
Admission no:

Time: 1Hr.
Max Marks: 25
Roll no:

INSTRUCTION:

- I. Question paper comprises four Sections–A, B,C and D. There are 12 questions in the question paper.
- II. All questions are compulsory.
- III. Section A –Question 1 to 5 are MCQs of 1 mark each.
- IV. Section B–Question no.6 to 9 is Very Short Answer Type Questions, carrying 2marks each. Answer to each question should not exceed 20-40 words.
- V. Section C–Question no.10 and 11 are Short Answer Type Questions, carrying 3marks each. Answer to each question should not exceed 40-60 words.
- VI. Section D–Question no.12 is Long Type Question, carrying 6 mark. Answer to this question should not exceed 80-100 words.

SECTION-A

1. An ETF is best described as a: 1
 - a) Debt instrument issued by the government
 - b) Mutual fund scheme traded on a stock exchange
 - c) Type of savings account
 - d) Long-term fixed deposit
2. Which of the following is not a type of ETF? 1
 - a) Equity ETF
 - b) Gold ETF
 - c) Real Estate ETF
 - d) Fixed Deposit ETF
3. **Assertion (A):** Sectoral ETFs provide focused exposure to a specific industry, helping investors benefit when that sector outperforms.
Reason (R): Sectoral ETFs are diversified across multiple industries and therefore reduce concentration risk. 1
 - a) Both A and R are true, and R is the correct explanation of A
 - b) Both A and R are true, but R is not the correct explanation of A
 - c) A is true, but R is false
 - d) A is false, but R is true
4. **Assertion (A):** A major limitation of Sectoral ETFs is that they are highly sensitive to economic cycles affecting that particular industry.
Reason (R): Sectoral ETFs spread investment across different sectors, lowering volatility. 1
 - a) Both A and R are true, and R is the correct explanation of A

- b) Both A and R are true, but R is not the correct explanation of A
- c) A is true, but R is false
- d) A is false, but R is true

5. Debt ETFs generally invest in: 1
- a) Gold and silver
 - b) Government securities and corporate bonds
 - c) Equity shares of large companies
 - d) Real estate projects

SECTION –B

6. Explain any two types of debt funds based on maturity profile. 2
7. What are Liquid Funds and how do they differ from Short-Term Debt Funds? 2
8. State any two reasons why debt funds are important for a conservative investor. 2
9. Mention two ways in which debt funds help in portfolio diversification. 2

SECTION C

10. Explain any three major types of Exchange Traded Funds (ETF). 3
11. Describe any three risk factors associated with investing in ETFs. 3

SECTION D

12. Explain Liquid Funds and their features in detail. 6

OR

Explain Gold Exchange Traded Funds (Gold ETFs) in detail.