



## 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

Time: 1Hr.

Date: 10/01/2026

Max Marks: 25

Admission no:

Roll no:

#### INSTRUCTION:

- I. Question paper comprises four Sections—A, B,C and D. There are12 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. 1  
**Reason (R):** Sectoral ETFs are diversified across multiple industries and therefore reduce concentration risk.  
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. 1  
**Reason (R):** Sectoral ETFs spread investment across different sectors, lowering volatility.  
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.