

Printed Pages : 3



NMBA044

(Following Paper ID and Roll No. to be filled in your Answer Book)

PAPER ID : 270424

Roll No.

--	--	--	--	--	--	--	--	--	--

M.B.A.

(SEM. IV) THEORY EXAMINATION, 2014-15
BEHAVIORAL FINANCE

Time : 3 Hours]

[Total Marks : 100

Note: Attempt question as per given instruction.

SECTION - A

1 Attempt **any four** questions : **5×4=20**

- (a) What are the various of objectives behavioral finance?
- (b) Explain the role of psychology in identifying the investor behavior in financial market.
- (c) Explain 1/n rule of Heuristic.
- (d) How is individual rationality different from group rationality?
- (e) What do you mean by fear and greed in financial market?
- (f) What is behavioral corporate finance?

270424]

1

[Contd...

SECTION - B

- 2 Attempt **any two** questions : **15×2=30**
- (a) How emotions affect the Financial Decision Making? Explain.
 - (b) What are the objectives of psychology with reference to financial markets?
 - (c) What is prospect theory? Explain in detail.

SECTION - C

- 3 What is Behavioral Finance? Explain its nature and scope. **10**

OR

Explain the scope of Psychology in Finance.

- 4 What are different building blocks of behavioral finance? Explain in detail. **10**

OR

What is cognitive psychology? What are the scope areas of cognitive psychology?

- 5 Who is investor? What are different types of investors? **10**
How average investor different from simple investor?

OR

Define bubble. How bubble occurs in a markets and burst?

- 6 How do external factors effect the decision making of an investor? Explain. 10

OR

What is behavioral life cycle? Explain.

- 7 Write short notes on **any two**: 10
- (a) Ellsberg Paradox
 - (b) Geomagnetic Strom
 - (c) Expected Utility.
