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FIFTH SEMESTER (CUFYUGP) DEGREE EXAMINATION, NOVEMBER 2026

MANAGEMENT STUDIES

BBA5CJ302 Behavioural Finance

2024 Admission onwards

Maximum Time: 2 Hours **Maximum Marks: 70**

Section A

All Questions can be answered. Each Question carries 3 marks (Ceiling: 24 Marks)

1	What is Financial Psychology?
2	What do you mean by mental accounting?
3	State any two objectives of Behavioural Finance.
4	What is Expected Utility Theory?
5	What is Behavioral Investing?
6	What are Ellsberg's Paradoxes?
7	What is meant by cognitive bias?
8	What is Fear and Greed in financial markets?
9	Define Prospect Theory
10	What is meant by demand by arbitrageurs?

Section B

All Questions can be answered. Each Question carries 6 marks (Ceiling: 36 Marks)

11	Explain the role of arbitrageurs in financial markets
12	Explain the nature and characteristics of behavioural finance
13	What are external factors influencing investor behaviour?
14	Explain the influence of emotions on financial markets.
15	Distinguish between Noise Trader Risk and Fundamental Risk.
16	Explain the relevance of Prospect Theory to investor behaviour.
17	Explain different ways of defining rationality.
18	What is a geomagnetic storm? Explain its major effects.

Section C

Answer any ONE. Each Question carries 10 marks (1x10=10 Marks)

19	Discuss bubbles and systematic investor sentiment in Behavioural Finance.
20	Discuss the major external factors affecting investor behaviour and financial markets.