K.J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH

PGDM (FS) Trimester - IV (2018-2020)

End Term Examination

Behavioural Finance

Date : 14th September 2019   **Marks : 25**   **Time : 2 Hrs.**

Instructions

Q1 is compulsory and would carry 1**0 marks.** Attempt **any Three** out of the remaining Questions.

Q.1) a) Define Bubble? Discuss some important examples of real world bubbles in the market? How bubble occurs in a market and burst? **(5 Marks)**

b) Discuss the reasons why average investor earns low by investing in market. **(5 Marks)**

Q, 2) How do external factors affect the decision- making of an investor? Explain **(5 Marks)**

Q.3) Financial decision-making is related to investor emotions". Discuss this statement in detail

(5 Marks)

Q.4) What are seven indicators to measure fear and greed index? **(5 Marks)**

Q.5) Explain Personality traits suggested by Bailard, Biehl and Kaiser's Five- way (BB&K) Model

Q.6) Distinguish between Similarity Heuristics and Gamler's fallacy **(5 Marks)**

Q.7) What is Mental Accounting, explain with and Example and How to overcome Mental Accounting? **(5 Marks)**

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