

1. A security pays a dividend of Rs 3.85 and sells currently at Rs 83. The security is expected to sell at Rs 90 at the end of the year. The security has a beta of 1.15. The risk-free rate is 5 percent and the expected return on market index is 12 percent. Assess whether the security is correctly priced. Show your working.
2. What is a call privilege? Why is this privilege an advantage to a security issuer and a disadvantage to a buyer of financial instruments?
3. "Capital market is an important barometer of the health of an economy and important component of the financial sector." Discuss the statement in the context of Pakistan.
4. What are the rights of equity shareholders? Explain.
5. What are the differences between closed-end and open-end mutual funds? Discuss their advantages and disadvantages.
6. What are the basic premises of technical analysis?
7. What are the differences between technical analysis and fundamental analysis?