Class – B.VOC (B&FS) Sem. IV

Subject – Market Risk Management

Paper – BVC-405

Time Allowed : 3 Hours **Maximum Marks : 50**

SECTION–A

1. Attempt any 10 questions. Each question carries 1 mark.

(i) Liquidity Risk.

(ii) VaR.

(iii) Marking to Market.

(iv) Portfolio risk.

(v) Impact of risk.

(vi) Credit risk.

(vii) Bootstrap Method.

(viii) Extreme Value Theory.

(ix) Monte Carlo Simulation.

(x) Model Building V/s Historical method.

(xi) Reverse Stress Testing.

(xii) Key problems in stress testing.

Section-B

Attempt any two questions. Each question carries 10 marks.

2. What do you mean by Risk ? Explain the various types of risk.

3. Discuss in detail the Basle norms for market risk management

4. Define VaR. How will you calculate VaR ? Give examples.

Section-C

Attempt any two questions. Each question carries 10 marks.

5. Explain the historical simulation approach of VaR.

6. Discuss the Model building approach of VaR.

7. What do you mean by stress testing? How will you make scenario analysis in stress testing?

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