



DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY
UNIVERSITY EXAMINATIONS 2021/2022 ACADEMIC YEAR
END OF SEMESTER EXAMINATION FOR THE DEGREE OF DOCTOR OF PHILOSOPHY IN BUSINESS
ADMINISTRATION & MANAGEMENT

DBA 5207: FINANCIAL INSTITUTIONS AND MARKETS

DATE: 02/02/2022

TIME: 09.00 A.M.-12.00 P.M.

Instructions:

Answer question ONE and any other TWO questions

QUESTION ONE (30 marks)

Briefly discuss the following concepts as used in financial institutions:

- a) Efficient market hypotheses (5 marks)
- b) Financial internationalization (5 marks)
- c) Cross-border listing (5 marks)
- d) Public sources of finance (5 marks)
- e) Initial public offer (IPO) (5 marks)

QUESTION TWO (10 marks)

Mr. Kamau runs an electronic shop and the weekly sales data is shown in Table 1.

Table 1: Weekly cereal sales data for the years 2019 and 2020

Year	2017	2017	2018	2018
Type of cereal	Price (KES)	Quantity	Price (KES)	Quantity
Maize	50	1500	100	1800
Rice	200	800	250	1000
Wheat	12	90	18	120

Required:

Compute the Fishers Ideal price index (10 marks)

QUESTION THREE (10 Marks)

- a) Citing relevant examples from Kenya, discuss the role of financial intermediation in the development of the financial sector. (5marks)
- b) Explain the special marketing challenges for financial services. (5 marks)

QUESTION FOUR (10 marks)

As a financial consultant, the government awards a prime consultancy on the strengthening of financial market in Kenya. Discuss the pertinent characteristics of a good financial market. (10 marks)

QUESTION FIVE (10 marks)

- a) With clear relevant illustrations, explain the nature of financial regulation with reference to Kenya. (5 marks)
- b) Citing specific financial institutions, discuss the role of international finance in the development agenda of Kenya. (5 marks)