QP CODE: 23144887

Reg No : .....

Name : .....

M COM DEGREE (CSS) EXAMINATION, NOVEMBER 2023

Third Semester

Faculty of Commerce

CORE - CM010303 - SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

M.COM FINANCE AND TAXATION, M.COM FINANCE AND TAXATION (SF),M.COM MARKETING AND INTERNATIONAL BUSINESS (SF),M.COM MANAGEMENT AND INFORMATION TECHNOLOGY (SF), MASTER OF COMMERCE AND MANAGEMENT

2019 ADMISSION ONWARDS

9D3F3BC4

Time: 3 Hours

Weightage: 30

Part A (Short Answer Questions)

*Answer any **eight** questions.*

*Weight **1** each.*

1. Write short notes on the types of investors.
2. Examine the importance of investment information while making investment decisions.
3. What do you mean by Risk-return Trade Off.?
4. What is price chart?
5. Explain the last step of portfolio construction under the traditional approach.
6. "The correlation coefficient of the portfolio is negative one"- What is your comment on this statement.
7. Explain Net Asset Value method for portfolio evaluation.
8. What do you mean by active portfolio revision strategies?
9. A Ltd is expected to provide a dividend of Rs.5 and fetch the price of Rs.24 a year. What price would it sell for now if investor's required rate of return is 12%?
10. Calculate ROC if the price of AB company's share is 12 and price twelve days ago was 10.

(8×1=8 weightage)

Part B (Short Essay/Problems)

*Answer any **six** questions.*

*Weight **2** each.*

11. What is money market? Explain the features of money market.
12. Discuss economic analysis
13. Explain the various non-financial parameters in relation to company analysis
14. Explain the different trends in Dow theory.
15. What are the various types of trends used in technical analysis?
16. Write a note on how prices are determined in different forms of market under EMH.
17. *Mr. Jin is a risk averse individual. He is advised to buy the following stock in equal proportion. The information regarding the stocks is*

Stock	*Beta*	*Individual Variance*
L	*.74*	*4*
M	*1.36*	*8*

The Market return variance is 36. What is the portfolio Risk?

18. Information regarding two mutual funds schemes and a market index are given below. Assuming the risk-free return as 5%, calculate differential return for two funds.

Fund	Return %	Standard Deviation%	Beta
Reliance	7	15	0.72
LIC	16	35	1.33
Market index	10	24	1.0

(6×2=12 weightage)

Part C (Essay Type Questions)

*Answer any **two** questions.*

*Weight **5** each.*

19. Discuss the various factors that should be taken into account while performing industry analysis?
20. Write a note on various market indicators used for technical analysis.
21. Discuss various portfolio management strategies used by investors.

22. *Consider Two stocks I and J. Their expected returns are 18% and 20% and standard deviation is 25% and 28% respectively. The returns on the stocks are negatively correlated, then what is the expected return of a portfolio comprising of Stocks I and J when the portfolio is constructed to drive the standard deviation of portfolio return to ½.*

(2×5=10 weightage)