

Reg. No

Name

23P4046-S

M. COM DEGREE END SEMESTER EXAMINATION - MARCH 2023

SEMESTER 4 : COMMERCE

COURSE : 16P4COMT20EL: SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

(For Supplementary - 2016/2017/2018/2019/2020 Admissions)

Time : Three Hours

Max. Marks: 75

PART A

Answer any 10 (2 marks each)

1. What are good till cancelled orders?
2. Differentiate quote driven system and order driven system.
3. What is long buy?
4. What is the difference between Coincidental and Lagging indicators?
5. What is spot interest rate?
6. What are the assumptions of Dow Theory?
7. What is the meaning of Flags?
8. What is Beta. How will you calculate it?
9. What is indifference curve?
10. What is SML?
11. What are the components of total return according to Fama decomposition of total return?
12. What are the limitations of CAPM?

(2 x 10 = 20)

PART B

Answer any 5 (5 marks each)

13. What are the factors to be considered in portfolio construction?
14. Who is a speculator. Explain different types of speculators.
15. What are the factors to be considered under Economic Analysis?
16. Compare and contrast yield to call and yield to maturity
17. Explain different market indicators
18. Explain the most popular continuation patterns?
19. How will you calculate return and risk in a portfolio with more than two securities?
20. Compare and contrast CML and SML

(5 x 5 = 25)

PART C

Answer any 3 (10 marks each)

21. What do you mean by primary market? Explain the role of SEBI in regulating primary market
22. Explain different Share valuation and Bond valuation models.
23. Explain different types of charts used in technical analysis.
24. EMH states that there is no use in Technical Analysis and Fundamental analysis but 'Technical analysis and fundamental analysis maintains the efficiency of market'- Explain.

25. The following data are available to you as portfolio manager

Security	Estimated return (per cent)	Beta	Standard deviation (per cent)
A	30	2.0	50
B	25	1.5	40
C	20	1.0	30
D	11.5	0.8	25
E	10.0	0.5	20
Market index	15	1.0	18
Govt security	7	0	0

- In terms of the security market line, which of the securities listed above are underpriced?
- Assuming that a portfolio is constructed using equal proportions of the five securities listed above, calculate the expected return and risk of such a portfolio.

(10 x 3 = 30)