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Name.....

Reg. No.....

**THIRD SEMESTER M.Com. DEGREE (REGULAR) EXAMINATION
NOVEMBER 2019**

M.Com.

MC3E(F)02—SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Time : Three Hours

Maximum : 36 Weightage

Part A

Answer all the questions.

Each question carries 1 weightage.

1. Distinguish between the financial and economic meaning of investment.
2. State any *four* sources of information for an investor.
3. Why do companies get their shares listed on the stock exchange ?
4. Write any two types of bonds.
5. What is point and figure chart ?
6. What is an efficient portfolio ?

(6 × 1 = 6 weightage)

Part B

Answer any six of the following.

Each question carries 3 weightage.

7. "Without adequate information the investor cannot carry out the investment programme"—Discuss.
8. What is portfolio diversification? How can efficient diversification be achieved ? Explain.
9. Explain the bond price theorem.
10. Write a short notes on CML and SML.
11. Discuss the relationship between fundamental analysis and efficient market hypothesis.
12. What is portfolio revision and portfolio selection ?

Turn over

13. "Risk is inherent part of the investment activity, systematic risk can not be avoided; however non-systematic risk can be avoided". Explain.
14. Write the essential difference between the Sharpe's and Treynor's model of portfolio performance? Discuss in detail.

(6 × 3 = 18 weightage)

Part C

Answer any two of the following.

Each question carries 6 weightage.

15. Assume that you know for certain that the market is heading towards the boom period. Should you buy a common stock based upon this information ?
16. "Moving averages not only smoothen the data, but also predict the market". Discuss.
17. Explain the steps in portfolio constructions as per traditional approaches.

(2 × 6 = 12 weightage)