PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BVoc DEGREE EXAMINATION MAY 2025
(Third Semester)

Branch – BANKING, STOCK AND INSURANCE

SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Time: Three Hours   Maximum: 75 Marks

SECTION-A (10 Marks)
Answer ALL questions

ALL questions carry EQUAL marks   (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	An investor invests in assets known as a _____. a. Securities b. Block of Assets c. Portfolio d. None of the above	K1	CO1
	2	Markowitz efficient hypothesis initiated in_____ a. 1958 b. 1959 c. 1961 d. 1960	K2	CO1
2	3	_____ Risks cover the risk of market, interest rate risk and purchasing power risk. a. Systematic b. Unsystematic risk c. Financial d. Business	K1	CO2
	4	_____ Analysis refers the study of the variables that influence the future of a firm both qualitatively and quantitatively. a. Company analysis b. Industry analysis c. Technical analysis d. Economic analysis	K2	CO2
3	5	If there is an increase in interest rates than the fixed interest rate of the corporate bond will _____. a. Return to the corporation b. Decrease in value c. Remain unchanged d. Increase in value	K1	CO3
	6	The main objective of portfolio is to reduce _____ by diversification. a. Return b. Risk c. Uncertainty d. Percentage	K2	CO3
4	7	Which type of market efficiency declares that current security prices totally reflect all information, equally public and private? a. Weak b. Semi-strong c. Strong d. None of these	K1	CO4
	8	_____ describes the relationship between systematic risk and expected return for assets, particularly stocks. a. CAPM b. PERT c. Sharpe ratio d. Treynor ratio	K2	CO4
5	9	In Dow Theory, secondary movements are those which last only for a short while are also known as _____ a. Corrections b. Random wiggles c. Narrow movement's d. Fluctuations.	K1	CO5
	10	The Dow Theory was developed by _____. a. Stock broker by the name of Dow b. An editor of Wall Street Journal by the name of Dow c. It was developed by Markowitz and Dow d. It was developed by Sharpe.	K2	CO5

SECTION - B (35 Marks)
Answer ALL questions
ALL questions carry EQUAL Marks   (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Explain the Elements of Risks.	K2	CO1
		(OR)		
	11.b.	Illustrate the Measurement of Risks.		
2	12.a.	Summaries about the Company Analysis.	K2	CO2
		(OR)		
	12.b.	Show the Concept of Economic Analysis.		
3	13.a.	Demonstrate DOW Theory.	K4	CO3
		(OR)		
	13.b.	Classify about the Efficient Market Hypothesis.		
4	14.a.	Outline the steps of Capital Asset Pricing Models.	K5	CO4
		(OR)		
	14.b.	Interpret on Arbitrage Pricing Theory.		
5	15.a.	Identify the Portfolio Evaluation.	K2	CO5
		(OR)		
	15.b.	List out the Evaluation Perspectives.		

SECTION -C (30 Marks)
Answer ANY THREE questions
ALL questions carry EQUAL Marks   (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Examine on Evolution of Portfolio Management.	K3	CO1
2	17	Evaluate the concept of Financial Statement Analysis	K5	CO2
3	18	Discuss about the Random Walk Theory and Market Indicators.	K6	CO3
4	19	Elaborate on Portfolio Construction and Approaches.	K6	CO4
5	20	Utilize and explain the Need and Constraints of Portfolio Revision.	K3	CO5

Z-Z-Z   END