22COP424N / 22CCP423N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

MCom DEGREE EXAMINATION MAY 2026
(Fourth Semester)

Branch – **COMMERCE / COMMERCE WITH COMPUTER APPLICATIONS**

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	Which of the following investment strategies involves investing in a mix of assets to reduce risk? a) Diversification b) Asset allocation c) Risk management d) Portfolio optimization	K1	CO1
	2	What is the primary goal of investment management? a) To maximize returns b) To minimize risk c) To optimize the risk-return tradeoff d) To achieve liquidity	K2	CO1
2	3	Which of the following types of risk is associated with the possibility of a borrower defaulting on a loan? a) Market risk b) Credit risk c) Liquidity risk d) Operational risk	K1	CO1
	4	Which of the following investment vehicles is typically used by individual investors to invest in a diversified portfolio of stocks? a) Mutual fund b) Exchange-traded fund (ETF) c) Hedge fund d) Pension fund	K2	CO1
3	5	What is the Sharpe ratio? a) A measure of a portfolio's return relative to its risk b) A measure of a portfolio's risk relative to its return c) A measure of a portfolio's diversification d) A measure of a portfolio's liquidity	K1	CO1
	6	Which of the following types of investment is considered a hedge against inflation? a) Stocks b) Bonds c) Real estate d) Commodities	K2	CO1
4	7	What is the concept of dollar-cost averaging? a) Investing a fixed amount of money at regular intervals b) Investing a variable amount of money at regular intervals c) Investing a fixed amount of money at irregular intervals d) Investing a variable amount of money at irregular intervals	K1	CO1
	8	What is the primary benefit of diversification in investment management? a) Increased returns b) Reduced risk c) Increased liquidity d) Reduced costs	K2	CO1
5	9	Which of the following types of risk is associated with the possibility of a change in interest rates affecting the value of a bond? a) Market risk b) Credit risk c) Liquidity risk d) Interest rate risk	K1	CO1
	10	Which of the following is a limitation of technical analysis? a) It relies on historical data b) It ignores fundamental factors c) It is not suitable for long-term investing d) All of the above	K2	CO1

Cont...

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.	Disseminate the objective of Investment.	K4	CO1
		(OR)		
	11.b.	Classify the different types of investors.		
2	12.a.	Discover the functions of Economy Analysis.	K5	CO2
		(OR)		
	12.b.	Explain the merits of Industry Analysis.		
3	13.a.	Give short notes on the types of price charts.	K3	CO3
		(OR)		
	13.b.	Sketch the features of Mathematical Indicators.		
4	14.a.	Explain the steps involved in Portfolio Selection.	K5	CO4
		(OR)		
	14.b.	What are the factors affecting Portfolio Analysis?		
5	15.a.	Interpret the importance of Decomposition of Performance.	K6	CO5
		(OR)		
	15.b.	Construct the need for Portfolio Evaluation.		

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	Describe in the different types of Investment Avenues.	K4	CO1
2	17	Interpret the factors affecting industrial performance.	K5	CO2
3	18	Critically examine the elements of Efficient Market Theory.	K3	CO3
4	19	What are the risks involved in Capital Asset Pricing Model?	K5	CO4
5	20	Write in detail factors influencing Risk-Adjusted Return.	K3	CO5

Z-Z-Z END