

Exam Date & Time: 29-Sep-2020 (02:00 PM - 05:45 PM)



PSG COLLEGE OF ARTS AND SCIENCE

Note: Writing 3hrs: Checking & Inserting Image : 30mins

MCom/MCom(CA) DEGREE EXAMINATION MAY 2020
(Fourth Semester)

Common to Branches - COMMERCE / COMMERCE WITH COMPUTER APPLICATIONS
SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT [18COP23]

Marks: 75

Duration: 210 mins.

SECTION A

Answer all the questions.

- 1) The third phase or portfolio management is
 - (i) Security Analysis
 - (ii) Portfolio revision
 - (iii) Portfolio selection
 - (iv) Portfolio analysis

(1)

- 2) Risk may relate to
 - (i) Loss of Capital
 - (ii) Delay in repayment of capital
 - (iii) Non Payment of Interest
 - (iv) All the above

(1)

- 3) The sensex has
 - (i) 25 stocks
 - (ii) 33 stocks
 - (iii) 30 stocks
 - (iv) 35 stocks

(1)

- 4) Stagnation is the _____ stage of the Industry Life Cycle.
 - (i) I Stage
 - (ii) II Stage
 - (iii) III Stage
 - (iv) IV Stage

(1)

- 5) The forecasting technique that utilizes the historical share price data is
 - (i) Technical analysis
 - (ii) Fundamental analysis
 - (iii) Bond Analysis
 - (iv) Interest Analysis

(1)

- 6) How many phases are there in bear market?
 - (i) 2
 - (ii) 3

(1)

- (iii) 4
(iv) 5
- 7) CAPM refers to
(i) Capital Asset Pricing Model
(ii) Capital Asset Pricing Method
(iii) Capital Asset Portfolio Model
(iv) Capital Asset Portfolio Method (1)
- 8) Changing the existing portfolio is known as
(i) Portfolio Analysis
(ii) Portfolio Selection
(iii) Portfolio Revision
(iv) Portfolio Evaluation (1)
- 9) The process of finding the optimal portfolio is described as
(i) Portfolio Revision
(ii) Portfolio Selection
(iii) Portfolio Evaluation
(iv) Portfolio Analysis (1)
- 10) Beta value greater than one indicates
(i) Higher sensitivity to market changes
(ii) Lower Sensitivity to Market Changes
(iii) Same direction of Market
(iv) Reverse direction of market (1)

SECTION B

Answer all the questions.

- 11) State the different phases of portfolio management. (7)
- a)
[OR] Discuss the constituents of financial markets. (7)
b)
- 12) Classify the different types of unsystematic risk. (7)
- a)
[OR] Explain the factors affecting the performance of a Company. (7)
b)
- 13) Evaluate the underlying principles of Technical Analysis. (7)
- a)
[OR] Illustrate the types of Price Charts. (7)
b)
- 14) Justify the importance of diversification in portfolio selection. (7)

- a)
[OR] Compare Capital Market Line (CML) and Securities Market Line (SMC). (7)
- b)
- 15) State the need for Portfolio Revision. (7)
- a)
- [OR] Explain the importance of Portfolio Evaluation. (7)
- b)

SECTION C

Answer 3 out of 5 questions.

- 16) Elucidate the functions of Stock Exchange. (10)
- 17) Enumerate the different stages in the industry Life cycle. (10)
- 18) Differentiate fundamental analysis & technical analysis. (10)
- 19) Justify how CAPM is used for assessing whether the securities is under priced, overpriced or correctly priced. (10)
- 20) Evaluate the constraints in portfolio revision. (10)

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