

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2022  
(Sixth Semester)

Branch – COMMERCE (COST AND MANAGEMENT ACCOUNTING)

**SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT**

Time: Three Hours

Maximum: 75 Marks

**SECTION-A (10 Marks)**

Answer ALL questions

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

1. Which of the following is not a characteristic of investments companies?  
(i) Pooled investing (ii) Diversification  
(iii) Managed portfolios (iv) Reduced expenses
2. The fundamental analysis approach has been associated with \_\_\_\_\_.  
(i) Uncertainties (ii) Certainties  
(iii) Ratios (iv) Balance sheet
3. \_\_\_\_ step involves determining periodically how the portfolio has performed over the review period.  
(i) Portfolio performance evaluation (ii) Portfolio revision  
(iii) Portfolio construction (iv) Performing security analysis
4. The object of portfolio is to reduce \_\_\_\_\_ by diversification  
(i) Return (ii) Risk (iii) Uncertainty (iv) Percentage
5. Security Analysis is a process of estimating for individual securities.  
(i) Return and risk (ii) Risk and correlation  
(iii) Correlation and coefficient (iv) Return and coefficient
6. Investment with lower standard deviation carries \_\_\_\_\_.  
(i) High risk (ii) Less risk (iii) Infinite risk (iv) Avoidable risk
7. According to CAPM, the correct measure of risk is termed as \_\_\_\_\_.  
(i) Business risk (ii) Financial risk (iii) Beta coefficient (iv) Systematic risk
8. \_\_\_\_ Risk can be measured by be using data.  
(i) Specific (ii) Technical (iii) Systematic (iv) Financial
9. Portfolio evaluation refers to the evaluation of the portfolio.  
(i) Performance (ii) Asset (iii) Risk (iv) None of these
10. The mix of an investment portfolio determines its overall return.  
(i) Investment (ii) Asset (iii) Capital (iv) Return

**SECTION – B (35 Marks)**

Answer ALL the questions

ALL Questions carry EQUAL Marks (5 × 7 = 35)

11. a) State the objectives of investment.  
(or)  
b) Explain the types of portfolio.
12. a) Narrate the features of corporate security.  
(or)  
b) Bring out the various types of Mutual funds.

Cont...

13. a) Explain the difference between systematic risk and unsystematic risk.  
(or)  
b) Summarize the methods of measurement of risk.
14. a) Explain the simple and complex diversification's of portfolio  
(or)  
b) State the difference between security market line and capital market line.
15. a) Explain the importance of portfolio revision.  
(or)  
b) How do you measure the portfolio evaluation?

**SECTION – C (30 Marks)**

Answer **ANY THREE** questions

**ALL** Questions carry **EQUAL** Marks ( $3 \times 10 = 30$ )

16. Explain in detail the different types of investors.
17. Analyse the various methods of valuations of equity shares.
18. Discuss the theories of technical analysis.
19. Explain the assumptions and applications of CAPM.
20. Describe the need and strategy for portfolio revision.

Z-Z-Z

END