

**MASTER'S DEGREE (C.S.S) EXAMINATION, NOVEMBER 2024**  
**2023 ADMISSIONS REGULAR**  
**SEMESTER III - CORE COURSE COMMERCE**  
**CO3C13TM20 - Security Analysis and Portfolio Management**

Time : 3 Hours

Maximum Weight : 30

**Part A****I. Answer any Eight questions. Each question carries 1 weight****(8x1=8)**

1. Enumerate the term speculation.
2. Explain the term investment
3. Define interest rate risk.
4. Distinguish between systematic risk and unsystematic risk.
5. Explain line chart.
6. Explain disadvantages of Dow theory.
7. Describe the term efficient frontier.
8. Define the term capital market theory.
9. Explain rebalancing strategies.
10. What are portfolio revision strategies.

**Part B****II. Answer any Six questions. Each question carries 2 weight****(6x2=12)**

11. Describe the sources of investment information.
12. Differentiate between financial investment and economic investment.
13. Explain methods and tools of company analysis.
14. Explain different forms of market efficiency in EMH.
15. Explain different market inefficiencies in EMH.
16. Explain traditional approach and modern approach of portfolio analysis.

17.	Security	Estimated return (%)	Beta	Standard Deviation (%)
	P	28	1.9	45
	Q	24	1.3	41
	R	21	0.9	29
	S	11	0.8	26
	T	9	0.6	19
	MARKET INDEX	16	1.00	18
	GOVT BONDS	6	0	0

You are being appointed as portfolio manager in an MNC investment company. Your clients in connections with the advice to be supplied the following data. Kindly advise them to buy or not to buy.

Use the CAPM model and identify.

(a) Which of the stocks is overpriced?

(b) Calculate the expected return and risk of the portfolio if the proportions of the investment are equal.

18. Describe portfolio revision, Explain its needs.

### **Part C**

**III. Answer any Two questions. Each question carries 5 weight**

**(2x5=10)**

19. Explain in detail economic analysis.

20. Explain oscillators and market indicators in detail.

21. Explain Markowitz mean- variance model in detail.

22. Describe portfolio evaluation and revision. Explain its need and different tools.