

Subject : Elective-III : Investment Analysis & Portfolio Management (Financial Management)

Day : Monday
Date : 19/12/2016



Time : 10.00 AM TO 1.00 PM
Max Marks : 70 Total Pages : 1

N.B.:

- 1) Attempt **ANY THREE** questions from Section – I and attempt **ANY TWO** questions from Section – II.
- 2) Answers to both the sections should be written in the **SAME** answer book.
- 3) Figures to the right indicate **FULL** marks.

SECTION – I

- Q.1** Elaborate upon the concept and types of Derivatives. Discuss development in Derivatives with reference to India. [14]
- Q.2** Explain various forms of Efficient Market hypothesis and also discuss the testing techniques of weak form. [14]
- Q.3** What do you mean by Portfolio Management? Explain the process of Portfolio Management. [14]
- Q.4** Explain in detail concept and types of Mutual Funds schemes available for investment. [14]
- Q.5** Write short notes on **ANY TWO** of the following: [14]
- a) High frequency trading and its impact on Efficient Market Hypothesis
 - b) Dow Theory
 - c) Behavioral Finance

SECTION – II

- Q.6** The returns of two assets under four possible states of nature are given below: [14]

State of the Nature	Probability of Occurrence	Return on Asset 1 (%)	Return on Asset 2 (%)
1	0.20	-5	10
2	0.20	15	12
3	0.30	18	15
4	0.30	20	18

- a) What is the standard deviation of the return on asset 1 and asset 2?
 - b) What is the covariance between the returns on asset 1 and asset 2?
 - c) What is the coefficient of correlation between the returns on assets 1 and 2?
 - d) If the proposition of asset 1 is 0.30 and remaining for other than calculate the portfolio risk and return.
- Q.7** Explain the concept of Fundamental Analysis. Do fundamental analysis of IT sector in India and make suggestions in which companies investor should invest? [14]
- Q.8** Explain the concept and objectives of Investment. Discuss Current Scenario of Investment in India. [14]

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