

**897**

**Total Pages : 4**

**Roll No. -----**

**FM-2106/MS-404**

**Security Analysis and Portfolio Management**

Master of Business Administration

(MBA-10/12/13/16/17)

Examination 2021 (Winter)

Time: 2 Hours

Max. Marks: 80

Note : This paper is of Eighty (80) marks divided into two (02) Sections A and B. Attempt the questions contained in these sections according to the detailed instructions given therein.

**Section – A**

(Long Answer – type questions)

Note: Section 'A' contains Five (05) long-answer-type questions of Twenty (20) marks each. Learners are required to answer any two (02) questions only.

[2 x 20 = 40]

P.T.O.

- Q.1. Discuss the term 'New Issue Market'. How does it differ from 'Secondary Market'? Are these connected to each other? Explain.
- Q.2. What are the internal and external sources of funds that can be tapped by a business concern to meet its financial requirements?
- Q.3. 'Mutual Funds investments are subject to market risk and these are not safe'. Discuss this statement from investment perspective. Also explain the risks mutual funds are likely to be associated with.
- Q.4. Briefly describe the essence of fundamental and technical analysis. Would you advise an investor to use technical analysis as the only basis for investment decisions?
- Q.5. a) What is the essential difference between the Sharpe and Treynor indexes of portfolio performance?
- b) What is Jensen alpha ( $\alpha$ ). Would you invest in a mutual fund whose Jensen alpha is negative?

## **Section – B**

### **(Short-answer-type questions)**

Note: Section 'B' contains Eight (08) short-answer-type questions of Ten (10) marks each. Learners are required to answer any Four (04) questions only.

[4 x 10 = 40]

- Q.1. Discuss the overall purpose people have for investing. Also define investment.
- Q.2. Define liquidity and discuss the factors that contribute to it. Give example of liquid assets and illiquid assets.
- Q.3. Write a note on the following:  
a) Public issue through book building.  
b) Commercial Paper
- Q.4. Discuss and distinguish between current yield, yield to maturity and coupon rate.
- Q.5. Discuss the role of NSE and BSE in the Indian Securities Market.

- Q.6. Discuss the role of New information in the pricing of securities? Explain how the concept of new information relates to Efficient Market Hypothesis (EMH).
- Q.7. Identify the relationship between security market line and the characteristic line.
- Q.8. Discuss the emerging derivatives market structure in India.

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