

FIFTH SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2024**BBA HONOURS****GBAH5B21T: SECURITY ANALYSIS & PORTFOLIO MANAGEMENT****Time: 3 hours****Maximum Marks: 80****Part A. Answer all the questions. Each question carries one mark.****Choose the correct answer.**

1. Which of the following Security is most liquid?
 - A) Money Market instruments.
 - B) Capital Market instruments.
 - C) Gilt edged security.
 - D) Index Future.
2. Beta of security measures:
 - A) Diversifiable risk.
 - B) Market Risk.
 - C) Financial Risk.
 - D) None of the above.
3. Annual report of the company give information regarding
 - A) Balance Sheet & P & L.
 - B) Auditors Report.
 - C) Past and future business environment.
 - D) All of the above.
4. If the return of the portfolio is 13% and the risk free rate of the return is 7%, beta of the portfolio is 1.2%, the Treynor measure of the portfolio is:
 - A) 5.
 - B) 6.
 - C) 6.5.
 - D) 7.5.
5. If the return of the portfolio is 15% and the Risk free rate of return is 10%, while the standard deviation of the portfolio return is 25%, the Sharpe measure for the portfolio is:
 - A) 0.15.
 - B) 0.20.
 - C) 0.25.
 - D) None of the above.

Fill in the Blanks.

6. Any stock converted into cash within short time period is termed as
7. Offer of a new issue to the existing shareholders is called as
8. Return earned by the investor on a security is
9. is the uncertainty and the variability in the returns.
10. A is a place where securities that have already been issued buy and sells.

(10 × 1 =10 Marks)**Part B. Answer any eight questions. Each carries two marks.**

11. Comment on investment.
12. Define speculation.
13. What is risk in investment management?
14. What is the concept of risk?
15. Define systematic risk.

(PTO)

16. What is technical analysis?
17. What is money market?
18. A share pays Rs. 10 as dividend. If the required rate of return is 18 %, what is the value of the share currently?
19. What is SEBI?
20. What do you mean by company analysis?

(8 × 2 = 16 Marks)

Part C. Answer any six questions. Each carries four marks.

21. What is meant by portfolio management?
22. Elaborate on portfolio.
23. A bond having face value of Rs. 1000 with an annual coupon rate of 12 % having current market Price of Rs. 920. Consider the bond has 4 years to mature and repaid at par. What is the YTM?
24. What do you mean by Beta?
25. An investor expects a dividend of Rs. 6.5 next year and plans to sell it for Rs. 70 after holding it for 1 year. Considering the required return as 15 %, what shall be the present value of the stock?
26. What is portfolio selection?
27. Define bar chart.
28. What is economic forecasting?

(6 × 4 = 24 Marks)

Part D. Answer any two questions. Each carries fifteen marks.

29. Discuss the objectives and functions of SEBI.
30. Explain the characteristics and objectives of investment.
31. Find beta using covariance variance method.

Year	ITC share returns	NIFTY 50 returns
1	12	18
2	14	16
3	10	19
4	-4	-2
5	5	9
6	9	15
7	9	15

(2 × 15 = 30 Marks)