

10. A stock costing ₹ 125 pays no dividend the possible price sell for the end of the year with respective probability :

Price (₹)	Probability
115	0.1
120	0.1
125	0.2
130	0.3
135	0.2
140	0.1

- (i) Calculate expected return
- (ii) Calculate standard deviation of return.
11. Assume that you know that market is heading towards berish period. Should you sale common stock based upon this information ? Discuss.
12. Why economic forecasting is important ? Explain the economic analysis in detail.
13. Stock exchange act as barometer of the health of the economy. Explain.

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MP-501

June – Examination 2020

**Master of Business Administration
(II Year) Examination
Security Analysis and Portfolio Management
Paper : MP-501**

Time : 3 Hours]

[Maximum Marks : 80

Note :- The question paper is divided into three Sections A, B and C. Write answers as per the given instructions.

Section-A

8×2=16

(Very Short Answer Type Questions)

Note :- Answer all questions. As per the nature of the question delimit your answer in one word, one sentence or maximum upto **30** words. Each question carries 2 marks.

1. (i) Explain the concept of Risk.
- (ii) Who are the participants of Indian Stock Market ?

- (iii) What is Price Weighted Index ?
- (iv) What do you understand by 'Portfolio Revision' ?
- (v) What is Economic Analysis ?
- (vi) List out the types of 'Financial Assets'.
- (vii) List out the names of the operating Stock Exchange.
- (viii) What is Secondary Market ?

Section-B **4×8=32**

(Short Answer Type Questions)

Note :- Answer any *four* questions. Answer should not exceed **200** words. Each question carries 8 marks.

- 2. Why correlation between securing return in portfolio important ?
- 3. Why is the non-diversifiable risk any relevant risk ?
How is such risk measured ?

- 4. What are the important points that consider while doing fundamental analysis ?
- 5. How is expected return calculated ?
- 6. Explain the difference between Markowitz model and Sharpe single index model.
- 7. What do you understand by Investment ? Explain the various investment avenues available to investors.
- 8. Explain in detail about evaluation of portfolio.
- 9. Explain in detail Capital Assets Pricing Model.

Section-C **2×16=32**

(Long Answer Type Questions)

Note :- Answer any *two* questions. You have to delimit each answer maximum upto **500** words. Each question carries 16 marks.