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GIET UNIVERSITY, GUNUPUR – 765022
B. B. A (Fifth Semester) Examinations, December' 2022
20BBA504F – Security Analysis and Portfolio Management

Time: 3 hrs.

Maximum: 70 Marks

The figures in the right hand margin indicate marks.

PART – A: (Multiple Choice Questions)**(1 x 10 = 10 Marks)****Q. 1 Answer ALL questions**

- a. _____ refers to the loss of principal amount of an investment.
 - i) Return
 - ii) Risk
 - iii) Investment
 - iv) Mutual funds
- b. _____ activity includes buying and selling of the financial assets, physical assets and marketable assets in primary and secondary markets.
 - i) own
 - ii) Risk
 - iii) Investment
 - iv) Return
- c. Company analysis involves _____
 - i) Trend analysis and ratio analysis
 - ii) Ratio analysis only
 - iii) trend analysis only
 - iv) variance analysis
- d. The fundamental analysis is a method of finding out _____
 - i) Ratios
 - ii) Value of a share
 - iii) Tips
 - iv) Future price of a security.
- e. Higher risk is associated with greater probability of higher _____.
 - i) goal
 - ii) Return
 - iii) investment
 - iv) standard deviation
- f. A portfolio having two risky securities can be turned risk less if
 - i) The securities are completely positively correlated
 - ii) If the correlation ranges between zero and one
 - iii) The securities are completely negatively correlated
 - iv) None of the above.
- g. The type of bond that pay coupon interest are classified as
 - i) Forward bond
 - ii) Payment bond
 - iii) Coupon bond
 - iv) Interest bond
- h. The object of portfolio is to reduceby diversification
 - i) Return
 - ii) Risk
 - iii) Uncertainty
 - iv) Percentage
- i. This type of risk is avoidable through proper diversification
 - i) Portfolio risk
 - ii) Systematic risk
 - iii) Unsystematic risk
 - iv) Total risk
- j. Market risk is best measured by the _____.
 - a) Alpha.
 - b) Beta.
 - c) Standard deviation.
 - d) Coefficient of variation

PART – B: (Short Answer Questions)**(2 x 10 = 20 Marks)****Q.2. Answer ALL questions**

- a. Explain speculation.
- b. Elaborate systematic risk

- c. Define bar chart
- d. Describe portfolio risk
- e. Explain secondary trend.
- f. Elucidate Company analysis
- g. Explain portfolio revision
- h. Explain Resistance Level
- i. Elaborate Relative strength index (RSI)
- j. Elucidate Flags

PART – C: (Long Answer Questions)

(10 x 4 = 40 Marks)

Answer ALL questions

Marks

3.a. Describe Factors that Affect Portfolio Allocation

5

b. Explain Arbitrage with example

5

(OR)

c. Explain portfolio and types of portfolio

5

d. Differentiate systematic risk and unsystematic risk

5

4.a. Sketch out technical analysis and its usage.

5

b. Explain the Trend lines.

5

(OR)

c. Explain briefly types of charts

10

5.a. Elucidate Markowitz model of portfolio theory

b. Explain portfolio risk and return

(OR)

c. Describe the Portfolio Manager and his job as well as education

5

d. Assume yourself as a portfolio manager and with the help of the following details find out the securities that are overpriced and underpriced using CAPM of portfolio return:

5

Security	Expected Return	β
A	0.33	1.7
B	0.13	1.4
C	0.26	1.1
D	0.12	0.95
E	0.21	1.05
F	0.14	0.70
Nifty Index	0.13	1.00
T-Bills	0.09	0

6.a. Explain in detail about evaluation of portfolio.

5

b. The following information provided regarding the performance of the funds namely Birla Advantage, Sundaram Growth and Sun F & C Value for a period of six months ending August, 2022. The risk free rate of interest is assumed to be 9. Rank them with the help of Sharpe Index and discuss.

5

(OR)

c. Discuss in detail methods of portfolio investment performance

d. Alfa and Beta co-efficients for five stocks are given below:

Stocks	Alpha	Beta
Craft High Corp	1.0	0.8
Crown Corp	1.35	1.15
Courtesy Corp	1.18	1.25
Cute Corp	1.25	0.95
Cure Corp	1.5	1.4

Rank the five stocks using Jensen's performance measure.

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