Exam.Code:0597
Sub. Code: 4331

1056

Diploma (Add-on Course)

Portfolio Management and Security Analysis

Paper – II: Portfolio Managements

(In all mediums)

Time allowed: 3 Hours

Max. Marks: 75

NOTE: *Attempt five questions in all, selecting five questions from Unit – I and four questions from Unit II.*

x-x-x

UNIT – I

I. Explain need of Portfolio Management.

II. What is Active portfolio strategy?

III. Explain the utility analysis in portfolio management?

IV. Give the distinction between systematic risk and unsystematic risk.

V. Explain Constant rupee value plan.

VI. Explain the concept of Alpha & Beta.

VII. What are the limitations of Traditional Portfolio management?

VIII. How portfolio return can be calculated? (5x3)

UNIT – II

IX. "Portfolio evaluation provides a feedback mechanism for improving the entire portfolio management process". Explain. (15)

X. What do you mean by portfolio management? Describe the different stages in portfolio management. (15)

XI. How the risk and return of an asset can be measured under Markowitz Approach? Explain. (15)

XII. What do you mean by optimum portfolio? How it may be created as per CAPM? (15)

XIII. From the following two securities, construct a portfolio by combining these in 60:40. Find out return and risk of such portfolio, if correlation coefficient of these two is -0.80.

Security	Expected Return	Standard Deviation
Xerox	12%	3%
Pfizer	16%	3.50%

(15)

XIV. Write short notes on any two of the following:-

a) Markowitz Model.

b) Sharpe's Single index model.

c) Fama-French model. (3x5)

XV. What is Arbitrage Pricing Theory? What are the various assumptions of APT? Explain the theory in detail. (15)

x-x-x

(Hindi and Punjabi versions enclosed)

P.T.O.