(FOR THE CANDIDATES ADMITTED

DURING THE ACADEMIC YEAR 2023 ONLY)

23PCC416

REG.NO. :

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI
END-OF-SEMESTER EXAMINATIONS : MAY - 2025

M.Com.-C.A   MAXIMUM MARKS: 75
SEMESTER: IV   TIME : 3 HOURS

SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

SECTION – A   **(10 X 1 = 10 MARKS)**

ANSWER THE FOLLOWING QUESTIONS:
MULTIPLE CHOICE QUESTIONS.   **(K1)**

1. Which of the following is NOT a feature of an investment program?
   (a) Safety   (b) Consistency with financial goals   (c) Random decision-making   (d) Liquidity

2. In the growth cycle of an industry, the stage where companies experience high profits is____
   (a) Introduction   (b) Growth   (c) Maturity   (d) Decline

3. Dow Theory primarily analyzes_____.
   (a) Industry finance   (b) Market trends   (c) Internal company decisions (d) Government policies

4. Which of the following is NOT an objective of portfolio management?

   (a) Wealth maximization   (b) Risk minimization   (c) Speculation   (d) Liquidity management

5. The Capital Asset Pricing Model (CAPM) helps in _____
   (a) Predicting market interest rates   (b) Measuring market efficiency
   (c) Determining the expected return on an investment   (d) Calculating diversification limits

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.   **(K2)**
6. Define systematic risk in investment.
7. What is industry analysis in security analysis?
8. Mention any two basic assumptions of technical analysis.
9. What is the role of diversification in portfolio management?
10. State the main purpose of the Markowitz Model

SECTION – B   **(5 X 5 = 25 MARKS)**
ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. **(K3)**
11.a) Point out the differences between speculation and investment.
                              (OR)
   b)   List and explain three major types of investment risks.

12.a) Describe the growth cycle of an industry.
                              (OR)
   b) Explain the role of company analysis in security analysis.

13.a) Assess the limitations of charting in technical analysis.
                              (OR)
   b) Compare and contrast Dow Theory and Elliot Wave Principle.

14 .a) Describe the steps involved in building a portfolio.

(OR)

b) Explain the basic principles of portfolio management with examples.

15. a) Briefly discuss Sharpe's Single Index Model.

(OR)

b) Explain the concept of a single-factor model and its application in portfolio management

SECTION – C   (5 X 8 = 40 MARKS)
ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.

(K4 (Or) K5)

16. a) Analyze the key features of a sound investment program with examples. **(K4)**

(OR)

b) Critically evaluate the differences among gambling, speculation and investment **(K5)**

17. a) Discuss in detail the methods of company analysis in security analysis   **(K5)**

(OR)

b) Explain how industries are classified for investment purposes with examples. **(K5)**

18. a) Describe the various chart types employed in technical analysis, including their advantages and disadvantages.   **(K5)**

(OR)

b) Analyze the forms of Efficient Market Hypothesis and their implications for technical analysis.**(K4)**

19.a) Explain the different forms of portfolio diversification and their advantages. **(K4)**

(OR)

b) Critically analyze the objectives and scope of portfolio management. **(K5)**

20.a) Discuss the application of the Capital Asset Pricing Model (CAPM) in portfolio management. **(K5)**

(OR)

b) Evaluate the Markowitz Model and its relevance in modern portfolio management. **(K5)**

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ETHICAL PAPER