

Q1 A) State whether the following statements are true or false (any eight) (08)

1. Investment means employing funds in various segments of financial market.
2. Return is not one of the elements of Investment.
3. Portfolio is fair blending of financial assets.
4. Risk is the potential loss in the investment.
5. In HPR, Investor hold the assets for sometime.
6. Beta is measurement of performance of particular share.
7. Modern Portfolio Theory believes in maximization of Returns.
8. Evaluation is to identify strength and weakness of a stock.
9. Investment in PPF is not a tax saving investment.
10. Systematic Risk means market Risk.

B) Match the column (any seven) (07)

- | A | B |
|------------------------|---------------------------|
| 1. Speculation | a. Company Risk |
| 2. Bank Deposits | b. Efficient Market |
| 3. Unsystematic Risk | c. Ownership Securities |
| 4. Strong Form | d. Risk free Returns |
| 5. Shares | e. High level Risk |
| 6. Bonds | f. Tax saving Investment |
| 7. Standard Deviation | g. Chances |
| 8. Mutual Funds | h. Graphs and charts |
| 9. Probability | i. Risk factor in a stock |
| 10. Technical Analysis | j. Duration |

Q2 A) Calculate: a) Expected Returns b) Standard Deviation. (15)

State	Probability	Stock A%	Stock B%
Boom	0.5	20	40
Normal	0.3	25	35
Recession	0.2	30	25

OR

B) Discuss various types of Investment Categories. (15)

Q3 A) The details of three Mutual Funds are given. (15)

Funds	Average Returns %	Standard Deviation	Beta
A	20	15%	1.10
B	25	18%	0.80
C	30	20%	1.36
Market Index	22	14%	1.00

Risk free Rate of Return is 12 %. Calculate Treynor, Sharpe and Jensen's measures.

OR

B) Discuss the objectives, elements, and construction of Portfolio Management. (15)

Q4 A) Mr Dattani gave following portfolio. Find out Holding period Returns.(Rs & %) (15)

Name of the Company	Purchase Price (Rs)	Purchase Date	Sale Price (Rs)	Sale Date	No of Shares
XYZ Ltd,	500	1.1.2016	700	31.12.19	500
PQR Ltd,	600	1.1.2015	800	31.12.18	300

Brokerage for both the companies Rs 2000/-

Dividend Earned, both the Companies for 3 years Rs=6000/-

OR

Q4 B) Elaborate various types of Risk. (15)

Q5 A) Discuss the objectives and Process of Investment. (15)

OR

Q5) Short Notes (any three) (15)

1. Bank Deposits
2. Portfolio strategies
3. Beta
4. Risk and Return Relationship
5. Risk measurement.

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