19. What are the ratios calculated for company analysis of valuation of equity stocks? Discuss.

20. Write the conceptual framework and modern portfolio theory of portfolio management.

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(For the candidates admitted from 2016–2021 Batch)

M.B.A. DEGREE EXAMINATION, NOVEMBER 2023.

Business Administration – Elective

SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20)

Answer ALL questions.

1. Differentiate yield and interest rates of bonds.

2. What are bond swaps?

3. Differentiate futures and forwards.

4. What are the risks associated with derivative securities?

5. What is equity valuation?

6. Give the calculation of stock market index.

7. Differentiate fundamental analysis and technical analysis.

8. List the components of technical analysis.

9. List the objectives of portfolio management.

10. What is portfolio diversification?

SECTION B — ($5 \times 5 = 25$)

Answer ALL questions, choosing either (a) or (b).

11. (a) Explain the measures of yield of bonds.

Or

(b) Give the objectives and risks associated with bond swaps.

12. (a) Enumerate the features of options.

Or

(b) How does industry analysis help in investment in derivatives? Explain.

13. (a) Illustrate the Dividend Discount Model method of valuation of stocks.

Or

(b) How do index features help in equity valuation? Discuss.

14. (a) Describe the components of technical analysis.

Or

(b) What do you understand on efficient market hypothesis? Explain.

15. (a) How do you avoid risks through effective portfolio management? Elucidate.

Or

(b) Exhibit the applications of futures in portfolio management.

SECTION C — ($3 \times 10 = 30$)

Answer any THREE questions

16. Describe the measures of risks and determinants of interest rates of bonds.

17. Elucidate the factors and components of economic analysis of derivative securities.

18. List and explain the various approaches of valuation of equity stocks.