



**MBA (FT)/MBA(IB) DEGREE III SEMESTER EXAMINATION  
NOVEMBER 2016**

**SMS 2307/SMI 2307 SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT  
(Regular and Supplementary)**

Time: 3 Hours

Maximum Marks: 50

**PART A**(Answer *ALL* questions)

(5 × 2 = 10)

1. What is hybrid security?
2. What is an efficient portfolio?
3. What is mutual fund?
4. Define open-ended fund.
5. Define primary market.

**PART B**(Answer *ANY FIVE* questions)

(5 × 4 = 20)

6. Distinguish between investor and speculator in the stock market.
7. What are the key ratios to be considered while investing in a stock?
8. Explain fundamental analysis. How is it different from technical analysis?
9. Explain different types of public sector bonds.
10. Discuss the indicators helpful in forecasting the stock market performance.
11. Distinguish between low-risk and high-risk investments.
12. What is net asset value? How is it calculated?

**PART C**(Answer *ANY TWO* questions)

(2 × 10 = 20)

13. Describe the salient features of capital market development in India during the past two decades, highlighting the new financial instruments available.
14. Explain Treynor's performance index. Compare this with sharpe index, bringing out the relative advantages. Which is better and why?
15. Discuss the capital asset pricing theory, stating the basic assumptions. How CAPM is used in portfolio management?