Reg No.:_____   Name:_____

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY
FIFTH TRIMESTER MBA DEGREE EXAMINATION(R&S), FEBRUARY 2020
Course Code: FIN-T5-8
Course Name: SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Max. Marks: 60   Duration: 3 Hours

PART A
Answer all questions. Each question carries 2 marks.   Marks

Write short notes on:

1	Explain Fundamental Analysis.	(2)
2	Describe the different stages in the Industry Life Cycle.	(2)
3	Explain Relative Strength Index with the help of an example.	(2)
4	Write note on Japanese Candlestick Charts.	(2)
5	Explain briefly about Run Test.	(2)

PART B
Answer any three questions. Each question carries 10 marks.

6	List out and explain the important domestic and international economic variables that significantly affect the performance of companies in India.	(10)
7	"Action is followed by Reaction" is the basic principle of Elliot Wave Theory – Elaborate.	(10)
8	Explain the Efficient Market Hypothesis. Discuss in detail the various forms of market efficiency.	(10)
9	Briefly explain the Arbitrage Pricing Theory stating its assumptions, merits and demerits.	(10)
10	Discuss the various strategies and plans for portfolio revision.	(10)

PART C
Compulsory Question. The question carries 20 marks.

11	**a**. Mr. X while analysing the market found the following information about certain securities. He would like to know by using CAPM which of these securities are overpriced, underpriced and fairly priced, if the risk free rate of return is 7 per cent and market return is 20 per cent.	(20)

Security	Estimated Return (%)	Beta	Standard Deviation (%)
S1	25	2.0	40
S2	30	1.5	30
S3	20	1.2	25
S4	15	1.0	20
S5	10	0.8	15

(10 Marks)

b. Mr. X have constructed two portfolios of securities. He would like to know how to evaluate the performance of these portfolios. Suggest him the various methods of evaluating the performance of portfolios.   (10 Marks)

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