

SVKM's NMIMS
NMIMS – GLOBAL ACCESS SCHOOL FOR CONTINUING EDUCATION

Programme: PGDFM

Examination: June 2017

Subject: Capital Market and Portfolio Management

Date: 10.06.2017

Semester: III

Course : New

Marks : 70

Time: 3.00 p.m. to 6.00 p.m.

Instructions:

1. Answer to each new question to be started on a fresh page.
 2. Figures in bracket indicate full marks.
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Q.1) Attempt any 2 out of 4

(Marks: 2X5=10)

- a) Differentiate between Investment and Speculation.
- b) What is Jensen's measure?
- c) What are the strengths of measured investor?
- d) What are the various steps of investment process?

Q.2) Write short notes on (2 out of 5)

(Marks: 2X5=10)

- a) Arbitrage Pricing Model
- b) Efficient Frontier
- c) Fiscal Policy
- d) Dollar-weight Rate of Return
- e) Bear market

Q.3) Attempt any 3 out of 5

(Marks: 3X10=30)

- a) What are the factors influencing selection of investment?
- b) What are the different instruments of Capital Market?
- c) Explain various anomalies in the market.
- d) What are the assumptions of Technical Analysis?
- e) Explain weak-form, semi-strong-form and strong-form of Efficient Market Hypothesis.

Q.4) Attempt both the questions

(Marks: 2X10=20)

a) The following data shows the return of ABC Ltd :

Year	Return on stock (%)	Return on Market (%)
2001	35	30
2002	30	24
2003	28	20
2004	25	19

Calculate the beta of ABC Ltd.

b)	<i>Portfolio</i>	<i>Return $E(r)$ (%)</i>	<i>Risk σ(%)</i>
	SS Ltd	20	16
	PK Ltd	10	10

If the covariance between X and Y is 0.5, determine: Portfolio risk and return, taking equal weights for both the stocks.
