

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

Programme: PGDFM

Examination: December 2014

Subject: Capital Market and Portfolio Management

Date: 05.01.2015

Semester: III

Course : New

Marks : 70

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

N.B: 1. Answer to each new question to be started on a fresh page.
2. Figure in bracket indicates full marks.

Q1) Attempt any 2 out of 4 (Marks 2X5=10)

- a) Discuss the steps in an investment process?
- b) What is Arbitrage Pricing Theory?
- c) Explain the candlestick approach of technical analysis?
- d) What is Jensen's Differential return?

Q2) Write short notes on: (Any 2 out of 5) (Marks 2X5=10)

- a) Investment versus gambling
- b) Risk and return of portfolio with two assets
- c) Efficient frontier
- d) Elliot wave theory
- e) Random walk Theory

Q3) Attempt any 3 out of 5 (Marks 3X10=30)

- a) Discuss the factors influencing investment decision?
- b) Explain in detail fundamental analysis?
- c) What are the tenets of Dow Theory?
- d) What is Capital Asset Pricing Model?
- e) Discuss various anomalies in the market?

Q.4) Attempt both the questions (Marks: 2X10=20)

- a) An investor has analyzed a security for a period of one year. The current market price is ₹ 80. At the end of one year the security is expected to be sold for ₹ 94. Dividend expected to be paid at the end of the period will be ₹ 15. Compute the expected return.
- b) Compute Sharpe and Treynor's ratio for the following two funds:

Fund	Return(%)	Risk-free Rate	Market Return	SD	Beta
A	24	14	30	36	1.4
B	38	14	30	50	2.6