

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

Programme: PGDFM

Examination: June 2015

Subject: Capital Market and Portfolio Management

Date: 24.06.2015

Semester: III

Course : New

Marks : 70

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

Instructions:

Answer to each new question to be started on a fresh page
Figures in bracket indicate full marks

- 1. Attempt any 2 out of 4** **(Marks: 2X5=10)**
 - a) What is Arbitrage Pricing Model?
 - b) What is an Efficient Frontier?
 - c) What is a trend in technical analysis?
 - d) Explain 'characteristic line'.

- 2. Write short notes on any 2 out of 5** **(Marks: 2X5=10)**
 - a) Investment versus speculation
 - b) Line chart
 - c) Capital Asset Pricing Model
 - d) Semi strong form of Efficient Market Hypothesis
 - e) Sweat equity shares

- 3. Attempt any 3 out of 5** **(Marks: 3X10=30)**
 - a) What are the different steps in an investment process?
 - b) What are the tenets of Dow Theory?
 - c) What are the assumptions of Technical Analysis?
 - d) Explain Fundamental Analysis.
 - e) Explain various anomalies in the market.

4. Attempt both the questions

(Marks: 2X10=20)

- a) The probabilities and associated returns of ABC Ltd are given below:

Return %	12	14	16	18	20	24	28
Probability	0.05	0.10	0.24	0.26	0.18	0.12	0.05

Calculate the expected return and standard deviation.

- b) Compute Sharpe and Treynor ratios for the two funds, also interpret the result.

Fund	Return(%)	Risk free rate(%)	Standard deviation(%)	Beta
A	25	10	10	0.8
B	40	10	15	1.25
