Subject Code—8137

M. Com. (Second Year) EXAMINATION

(Main/Re-appear Batch 2009 Onwards)

MC-206-F

INVESTMENT MANAGEMENT

Time : 3 Hours   *Maximum Marks : 70*

Section A

Note :   Attempt any *Seven* questions.   7×5=35

1.   Describe how the term 'risk' is used to depict the behaviour of certain investments.

2.   In what ways is a stock exchange indispensable for an economy ?

3.   Discuss the recent developments in the primary market in India.

4. Explain how inflation affects interest rates.

5. Discuss the role of Social Security Funds in the mobilizing financial savings.

6. Can all risk be eliminated if a sufficiently large portfolio is held ?

7. What are the weaknesses of the Markowitz Approach ?

8. Why is beta a better measure of risk than the standard deviation ?

9. What is the basic assumption behind the APT ?

10. What kind of security do you think you would select for your aggressive portfolio. ?

Section B

Note : Attempt all questions.

11. Why would an investor prefer a listed stock to an unlisted ore ? Are there any advantages to the Corporation in having a listed market ?

Or

Why may the small investor prefer mutual funds to other investments ? Discuss the SEBI guidelines for mutual fund authorization.   12

12. "A technical analyst explains that the stock market acts like a barometer rather than a thermometer." Explain.

Or

Does the Random Walk Theory suggest that security price levels are random ? Explain. 12

13. Why there is a need for port folio revision ? Explain the techniques of portfolio revision.

Or

"CAPM can be used to evaluate the pricing securities." Discuss.   11