Sr.No. 3796

Exam Code : 110106
Subject Code : 2793

Bachelor of Vocation (Banking & Financial Services) - 6th Semester

(2519)

Paper: BVC-606

Portfolio Management

Time allowed: 3 hrs. **Max. Marks: 50**

Note :- (1) Answer any TEN questions from Section A. Each question carries 1 mark.

(2) Answer any FOUR questions from Section B and C, selecting TWO questions from each section. Each question carries 10 marks.

SECTION A

1. Answer briefly:
   - I. Investment process
   - II. Efficient frontier
   - III. Portfolio risk measurement
   - IV. Diversification benefits
   - V. Security market line
   - VI. Capital asset pricing model
   - VII. Passive portfolios
   - VIII. Index funds
   - IX. Investment objectives
   - X. Bond duration
   - XI. Active bond management strategies
   - XII. Sharpe's's measure of portfolio performance (1×10=10)

SECTION B

2. Define investment? How is it different from speculation? What are various investment categories? (3, 3,4)
3. What is Arbitrage Pricing Theory? How is it different from CAPM? (5,5)
4. How is beta of a stock calculated? What is beta of a portfolio? Explain. (5,5)
5. What is
   - I. Risk reduction through diversification
   - II. Markowitz risk return optimisation (5,5)

SECTION C

6. Discuss
   - I. Risk Return Preferences
   - II. Investment constraints (5,5)
7. What is semi strong form of efficient market hypothesis? How does it affect the portfolio strategy of an investor? (6,4)
8. Discuss the various active and passive bond strategies adopted by an organisation (10)
9. Discuss the Treynor's and Jensen's measure of portfolio performance measures in detail. (10)

****