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| **Register No:**  **Date and Session:12-12-2022 ( 9 am)** |



**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BENGALURU - 27**

**BBA/BBASF – V SEMESTER**

**SEMESTER EXAMINATION: OCTOBER 2022**

**(Examination conducted in December 2022)**

**BBADEF5519: Security Analysis and Portfolio Management**

**Time: 2 ½ Hours Max Marks: 70**

**This paper contains \_\_\_\_\_\_ printed pages and four parts**

**Section-A**

**I.** Answer ***any five*** of the following (**5x2 = 10 Marks)**

1. What is Investment?
2. State any four objectives of Investment.
3. Write any two differences between Fundamental and Technical analysis.
4. Enlist the qualitative factors under company analysis.
5. Mention any four benefits of diversification.
6. What is meant by portfolio evaluation?

**Section-B**

**II.** Answer ***any three*** of the following (**3x5 = 15 Marks)**

1. Differentiate between Investment and Speculation.
2. The security Z return are given below:

|  |  |  |  |
| --- | --- | --- | --- |
| Probability | 0.3 | 0.4 | 0.3 |
| Security Z return | 2.5 | 3.5 | 2.0 |

Calculate Expected Return and Standard deviation.

1. Do stock price have a Support level and Resistance level? If so, Analyse.
2. Discuss the process of portfolio management.

**Section-C**

**III.** Answer ***any two*** of the following (**2x15 = 30 Marks)**

1. From the following daily price of the Fortis Health Care stock and the Nifty 50 index for the period 01 September 2022 to 14 September 2022.

|  |  |  |
| --- | --- | --- |
| **Date** | **Nifty 50 Index** | Fortis Health Care **price** |
| 01-Sep-22 | 754 | 308 |
| 02-Sep-22 | 753 | 292 |
| 05-Sep-22 | 766 | 292 |
| 06-Sep-22 | 765 | 288 |
| 07-Sep-22 | 762 | 289 |
| 08-Sep-22 | 779 | 290 |
| 09-Sep-22 | 783 | 288 |
| 12-Sep-22 | 793 | 287 |
| 13-Sep-22 | 807 | 292 |
| 14-Sep-22 | 800 | 294 |

Calculate the Beta value.

1. a. Explain the concept of Elliot wave theory with bullish market. (10 marks)
2. Discuss the Point and figure charts. (5 marks)
3. Stock A and B yielded the following returns for the past 2 years:

|  |  |  |
| --- | --- | --- |
|  | Return | |
| Year | A | B |
| 2020 | 18 | 16 |
| 2021 | 24 | 14 |

1. What is the expected return on a portfolio made up of 40% of A and 60% of B?
2. What is the standard deviation of each stock?
3. Determine the correlation coefficient of Stock A and B.
4. What is the portfolio risk of a portfolio made up of 40% of A and 60% of B?

**PART-D**

**III. Answer the following (1x15=15 Marks)**

1. Rank the 3 funds given below with the help of Sharpe, Treynor and Jensen index.

|  |  |  |  |
| --- | --- | --- | --- |
| Funds | Return | Beta | Standard Deviation |
| X | 15 | 1.5 | 12 |
| Y | 17 | 1.6 | 14 |
| Z | 13 | .75 | 11 |
| Market Index | 14 | 1 | 10 |

Risk free rate of return is 9%