



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – COMPUTER APPLICATIONS

FIFTH SEMESTER – NOVEMBER 2022

UCC 5602 – PORTFOLIO MANAGEMENT

Date: 28-11-2022

Dept. No.

Max. : 100 Marks

Time: 09:00 AM - 12:00 NOON

SECTION A

Answer ALL the Questions

(10x2 = 20 marks)

1. What is Portfolio Management?
2. Define Risk.
3. What is a Timeline?
4. Write about Compounding.
5. Brief what you know about Dow Jones Theory
6. Bring out the importance of Random Walk Theory.
7. Find the mean of the following Reliance Stock prices.

11/4/2022	2,592.75
11/3/2022	2,555.15
11/2/2022	2,545.65
11/1/2022	2,529.85
10/31/2022	2,549.60

8. How is Beta value useful in analyzing a Portfolio?
9. Write a short note on Derivatives and Swaps.
10. What is Call option and Put option?

SECTION B

Answer Any Four Questions

(4x10 = 40

marks)

1. Highlight the importance of the role of Portfolio Managers.
2. a) If the interest rate is 8% what are the doubling periods as per the rule of 72 and the rule of 69 respectively?
b) A finance company advertises that it will pay a lump sum of Rs. 44650 at the end of five years

to investors who deposit annually Rs. 6000 for 5 years. What is the interest rate implicit in this offer?

3. Explain the process of Portfolio Development.
4. Detail the different kinds of Bonds.
5. Distinguish between Wealth Management and Portfolio Management.
6. Elucidate the SEBI regulations regarding the Portfolio Operations.
7. Calculate the Present Value of the below Uneven Cash Flow Streams.

1	2	3	4	5	6	7	8
1000	2000	2000	3000	3000	4000	4000	5000

(Ask for PVIF table)

SECTION C

Answer any two questions

(2x20 = 40 Marks)

1. Describe different kinds of investment avenues.
2. Shyam borrows Rs. 80,000 for a musical system at a monthly interest of 1.25 %. The loans to be repaid in 12 equal monthly installments, payable at the end of each month. What is the monthly instalment? Prepare the Loan Amortization Schedule.
3. Explain in detail the Modern Theories of Portfolio Management.
4. Calculate the Beta of Stock A and write inferences from it.

Period	1	2	3	4	5	6	7	8
Return of Stock A	22	13	17	15	14	18	16	6
Return of Market	12	14	13	10	9	13	14	7
Period	9	10	11	12	13	14	15	
Return of Stock A	-8	13	14	-15	25	9	-9	
Return of Market	1	12	-11	16	8	7	10	
