LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A.DEGREE EXAMINATION –**ECONOMICS**

SIXTH SEMESTER – **APRIL 2018**

EC 6600– PORTFOLIO MANAGEMENT

Date: 17-04-2018 Dept. No. Max. : 100 Marks
Time: 09:00-12:00

PART-A

Answer any FIVE Questions in about 75 words each: (5 × 4 = 20 Marks)

1. What is portfolio management?
2. Differentiate between risk in the traditional and contemporary sense.
3. What is the relationship between risk and return in portfolio management?
4. Distinguish between arbitrage pricing theory and capital asset pricing model.
5. Write a short note on Cootner's price-value interaction model.
6. Explain the concept of forward pricing.
7. What are derivatives? Give examples.

PART-B

Answer any FOUR Questions in about 250 words each: (4 × 10 = 40 Marks)

8. Examine the wide array of investment avenues.
9. Explain the types of managed portfolios.
10. Elucidate on William Sharpe's single index market model.
11. What are the various methods of measuring return on investment?
12. Briefly explain the arbitrage pricing theory.
13. Describe Samuelson's continuous equilibrium model.
14. Explain the binomial option pricing model.

PART-C

Answer any TWO Questions in about 900 words each: (2 × 20 = 40 Marks)

15. Discuss the functions of portfolio management.
16. Describe the Markowitz theory of portfolio diversification.
17. Examine the capital asset pricing model.
18. Critically analyse the efficient markets hypothesis of Fama.

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