# LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

**B.A.** DEGREE EXAMINATION – **ECONOMICS**

SIXTH SEMESTER – **APRIL 2025**

**16/17/18UEC6MC01 – PORTFOLIO MANAGEMENT**

Date: 23-04-2025 Dept. No. Max. : 100 Marks

Time: 09:00 AM - 12:00 PM

## SECTION A

**ANSWER ANY FOUR OF THE FOLLOWING** **4 X10=40 Marks**

1. Define the following:
    a. Portfolio
    b. Current return and capital return
    c. Portfolio return and risk.
    d. Cumulative wealth index.
2. Elaborate the types of risk under modern perspective.
3. Demonstrate Diversification effect.
4. Explain Cootner's price – value interaction model.
5. Explain William Sharpe's Single Index model.
6. Examine the Arbitrage Pricing model.
7. Differentiate Forwards with Futures.
8. Explain the Put – Call parity theorem.

## SECTION - B

**ANSWER ANY THREE OF THE FOLLOWING** **3 X 20 =60 Marks**

9. Critically examine the Capital Asset Pricing Model.
10. Evaluate the following:
    a. Weak Form Efficiency.
    b. Semi – strong Form Efficiency.
    c. Strong Form Efficiency.
11. Elucidate the Option Pricing Models.
12. Demonstrate the hedging process employed for mitigating Foreign Exchange risk.
13. Discuss the various investment avenues.
14. Write an essay on the Portfolio Management Process.

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