

MODEL QUESTIONS (Tentative)

Class and Semester	<i>M. Com. Semester III</i>	A. K. Rawani Deptt of Commerce
Paper code and subject	<i>Elective Paper Finance Group EC 1 Security Analysis and Portfolio Management</i>	

Long answer type questions

UNIT-I:

1. What do you understand by Investment? Explain the elements and objectives of investment.
2. What do you mean by investment risk? Explain the various components of risk.
3. Explain the risk return trade-off of investment decisions and discuss in details the investment decision process.
4. Distinguish between Investment, Speculation and Gambling.
5. What are the factors affecting investment environment in India? Discuss the issues related to securities trading.
6. Explain briefly the expectations of Individual investors. Discuss the problems faced by the Indian investors.

UNIT-II:

7. What is Risk? Discuss the various types of Risk.
8. Explain the concept of risk and return and its applications in investment management.
9. Explain the importance of risk and return in security analysis. How would you estimate risk and return for a common stock?

UNIT-III:

10. What do you understand by valuation of securities? How is the valuation of fixed income securities?
11. Differentiate between preference share and equity share. Explain how the valuation of preference share is done.
12. Why do companies issue shares in primary market? What is the relationship between the new issue market and the secondary market?

UNIT-IV:

13. "Fundamental analysis provides an analytical framework for rational investment decisions". Discuss.
14. Describe the industrial life cycle. What are its implications for the investors?
15. Define company analysis. What are the various factors that are to be considered in company analysis?
16. Discuss the key macro economics factors and their impact on stock market.
17. "Economy-Industry-Company (EIC) framework provides a useful approach to equity investment decisions". Explain.
18. Distinguish between Financial analysis and Technical analysis. What are the various tools used in technical analysis of investment

UNIT-V:

19. What is portfolio management? What are its elements? Discuss the portfolio management process in brief.
20. Define portfolio analysis. Why portfolio analysis is needed in selection of securities?
21. What is portfolio performance evaluation? Explain the different measures of portfolio

evaluation.