Roll No…………………….. **Total No. of Printed Pages: 1**

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INTEGRATED/DUAL DEGREE B.COM-M.COM (Semester – 6th)

SECURITY ANALYSIS

Subject Code: BMCMS1-601

Paper ID: 21410126

Time: 03 Hours **Maximum Marks: 60**

Instruction for candidates:

1. Section A is compulsory. It consists of 10 parts of two marks each.
2. Section B consist of 5 questions of 5 marks each. The student has to attempt any 4 questions out of it.
3. Section C consist of 3 questions of 10 marks each. The student has to attempt any 2 questions.

Section – A **(2 marks each)**

Q1 Attempt the following:

a. How do active and passive investment strategies differ?
b. What are the key components of fundamental analysis?
c. What is the Price-to-Earnings (P/E) ratio and how is it used in stock valuation?
d. Explain the concept of market risk in portfolio management.
e. What is the primary difference between systematic risk and unsystematic risk?
f. According to the Efficient Market Hypothesis (EMH), what are the three types of market efficiency?
g. State the key assumptions of the Capital Asset Pricing Model (CAPM)
h. Explain portfolio revision in one sentence.
i. What is the primary difference between CAPM and APT?
j. What is the Constant Ratio Plan in portfolio management?

Section – B **(5 marks each)**

Q2 What is the relationship between market interest rates and the price of debt securities, and how does this affect bond valuation?

Q3 Distinguish between Fundamental Analysis and Technical Analysis.

Q4 What is the Capital Market Line (CML), and how is it used in portfolio selection?

Q5 What are the key components of risk in portfolio management? Discuss at least three types of risks.

Q6 Explain the concept of rupee cost averaging and its benefits in volatile markets.

Section – C **(10 marks each)**

Q7 Compare and contrast active and passive portfolio management strategies, discussing their respective advantages, risks, and costs.

Q8 Explain the Arbitrage Pricing Theory (APT) in detail, highlighting its key assumptions and how it differs from CAPM in measuring risk and return.

Q9 Explain the Efficient Market Hypothesis (EMH), its implications, and discuss the Random Walk Theory and the three forms of market efficiency.