

C U SHAH UNIVERSITY

WADHWAN CITY

Subject : Financial Services

Code: 5MC02FSV1

Course: M.COM

Semester : 2

Marks : 70

Q.1 (A) Explain meaning of Portfolio management (3)

(B) Discuss importance of Portfolio management (4)

Q.2 (A) Write a note on objectives of portfolio construction. (5)

(B) Explain estimation of rate of return. (5)

(C) Discuss risk-free asset. (4)

OR

Q.2 (A) Discuss various issues in portfolio construction. (5)

(B) Explain effects of combining securities. (5)

(C) Discuss risk and risk premium. (4)

Q.3 (A) Explain Markowitz's portfolio selection model. (5)

(B) Write a note on Sharpe's optimization solution (5)

(C) Discuss portfolio market risk with reference to single index model. (4)

OR

Q.3 (A) Discuss Capital Market Line (5)

(B) Explain Security Market Line (5)

(C) Discuss portfolio unique risk with reference to single index model. (4)

SECTION-2

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Q.4 Explain the following

1. Risk Pooling. (2)
2. Risk Sharing. (2)
3. Risk in the long run (3)

Q.5 (A) Write a note on risk free lending and borrowing (5)

(B) Discuss Arbitrage Pricing Theory. (5)

(C) Write a note on two factor model with reference to Arbitrage Pricing Theory. (4)

OR

Q.5 (A) Explain principles of arbitrage. (5)

(B) Write a note on arbitrage portfolios. (5)

(C) Write a note on multi factor model with reference to Arbitrage Pricing Theory. (4)

Q.6 (A) Discuss techniques of portfolio construction (5)

(B) Discuss risk adjusted measures of performance evaluation of portfolio (5)

(C) Explain market timing in efficient market hypothesis. (4)

OR

Q.6 (A) Explain portfolio performance evaluation. (5)

(B) Write a note on measures of return with reference to efficient market hypothesis. (5)

(C) List out evaluating criteria and procedure of portfolio in efficient market hypothesis. (4)