

# C.U.SHAH UNIVERSITY

## Winter Examination-2015

Subject Name : Financial Services

Subject Code : 5MCO2FSE5

Branch :M.Com (English)

Semester : 2

Date : 23/11/2015

Time :10:30 To 1:30

Marks : 70

**Instructions:**

- (1) Use of Programmable calculator and any other electronic instrument is prohibited.
- (2) Instructions written on main answer book are strictly to be obeyed.
- (3) Draw neat diagrams and figures (if necessary) at right places.
- (4) Assume suitable data if needed.

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### SECTION – I

**Q-1 Attempt the Following questions (07)**

- a. Define portfolio management.
- b. Give name of various phase of portfolio management.
- c. What do you mean by risk?
- d. How many types of risk are there? Give name.
- e. Total risk is sum of \_\_\_ and \_\_\_?
- f. What do you mean by diversification?
- g. Singal index model is also known as \_\_\_\_\_?

**Q-2 Attempt all questions (14)**

- a) Explain portfolio management and discuss its objective.
- b) Discuss various phase of portfolio management.

**OR**

**Q-2 Attempt all questions (14)**

- a) Describe importance of portfolio management.
- b) What do you mean by portfolio analyses? Why portfolio analyses is needed?

**Q-3 Attempt all questions (14)**

- a) Discuss effect of diversification of security .
- b) Discuss Markowitz model in detail.

**OR**

- Q-3**
- a) Discuss signal index model in detail.
  - b) Explain capital market line and security market line in detail.



## SECTION – II

- Q-4 Attempt the Following questions (07)**
- Who introduced single index model?
  - The line formed by action of all investors mixing the market portfolio with the risk free assets is known as \_\_\_\_\_?
  - What is security market line?
  - What do you mean by portfolio performance evaluation?
  - What are the portfolio evaluation criteria?
  - What do you mean by portfolio construction?
  - Give the name of techniques used for portfolio construction.
- Q-5 Attempt all questions (14)**
- Explain risk free lending and borrowing.
  - Explain arbitrage pricing theory with example.
- OR**
- Q-5 a) Explain two factor and multi factor models.  
b) Explain efficient market hypotheses theory.**
- Q-6 Attempt all questions (14)**
- What do you mean by portfolio construction? Explain technique of portfolio construction.
  - Discuss in detail portfolio performance evaluation.
- OR**
- Q-6 Attempt all Questions**
- Explain measurement of portfolio return and adjusted measures of portfolio evaluation.
  - Explain the criteria of portfolio evaluation.

