LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

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

SIXTH SEMESTER – **APRIL 2012**

# EC 6600 - PORTFOLIO MANAGEMENT

Date : 16-04-2012 Dept. No. Max. : 100 Marks

Time : 1:00 - 4:00

**PART - A**

Answer any **FIVE** questions in about 75 words each: (5x4=20)

1. What are the different types of managed portfolios?
2. Distinguish between risk and return.
3. State the meaning of Portfolio management.
4. Give the structure of the Capital Market.
5. Distinguish between investment and speculation.
6. What is swap valuation?
7. What is hedging?

**PART - B**

Answer any **FOUR** questions in about 250 words each: (4x10=40)

1. Discuss the methods of measuring risk.
2. Analyse the Arbitrage Pricing Theory.
3. Discus Cootner’s model.
4. Bring out the various types of derivative assets.
5. Explain the demerits of forward hedging.
6. Describe the Markowitz diversification and classification of risk.
7. Analyse the currency swaps.

**PART - C**

Answer any **TWO** questions in about 900 words each: (2x20=40)

1. Explain the functions of portfolio management.
2. Discuss the capital asset pricing model.
3. Analyse Black-Scholes option pricing model.
4. Bring out the methods of managing foreign exchange risks.

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