LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A.DEGREE EXAMINATION –**ECONOMICS**

SIXTH SEMESTER – **APRIL 2019**

EC 6600– PORTFOLIO MANAGEMENT

Date: 01-04-2019 Dept. No. Max. : 100 Marks
Time: 09:00-12:00

PART-A

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

1. State the characteristics of Investment.
2. Write a note on Sharpe's Single Index model.
3. Dorphene Rodger's optimal risky portfolio has an expected return of 18% and a standard deviation of 30%. The expected return on the risk free asset is 6%. What is the slope of Dorphene's optimal opportunity line?
4. State the functions of portfolio management.
5. Write a note on arbitrage pricing theory.
6. Write a note on Interest rate swap.
7. What is meant by Hedging?

PART-B

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

8.Explain the important steps in portfolio management process.

9. Explain the Markowitz Diversification effect using an illustration.

10. Briefly explain the Binomial Option Pricing model.

11. Discuss the various forms of Market efficiency identified by Fama.

12. Examine the Arbitrage Pricing theory.

13. Describe the Cootners' Price –value Interaction model.

14. Write a short essay on Managed Portfolios.

PART-C

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

15.Discuss the various investment avenues accessible to Indian Investors.

16. Examine the various types of derivative instruments.

17. Elucidate the Capital Asset Pricing model.

18. Explain the different types of risks and returns in portfolio Management.

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