MCNE-039

MASTER OF BUSINESS ADMINISTRATION (MBAEV)

Term-End Examination

00021   **June, 2015**

MCNE-039 : SECURITY ANALYSIS AND INVESTMENT MANAGEMENT

Time : 3 hours   *Maximum Marks : 100*

*Note : Attempt any **five** questions. All questions carry equal marks.*

1. Define Dow Theory. How is it useful in predicting the price behaviour of stocks ?   *20*

2. As a Security Analyst, how would you assess the Present Value of a Bond ? Explain the various bond value theorems with suitable examples.   *20*

3. Distinguish between the primary and secondary earnings per share. Why is such a distinction important to a common stock investor ?   *20*

4. What is the alleged purpose of Technical Market Indicators ? Why is this important ?   *20*

5. (a) Explain the economic analysis under Top-Down approach of equity investment.

    (b) Discuss the Passive Bond Management strategies.   *10+10=20*

6. Explain Sharpe's Index. How can this be used to rank the performance of a group of investments ?   *20*

7. Elaborate the Efficient Market Hypothesis (EMH). How is the Markowitz model useful in portfolio selection ?   *20*

8. Write short notes on any *four* of the following :   *4×5=20*

(a) Fundamental Analysis

(b) Stock Market Index

(c) Security Market Line (SML)

(d) Yield to Maturity (YTM)

(e) Undervalued Stock Approach

(f) Hedging