



Faculty of Commerce

End Semester Examination May 2025

CM3EB12 Investment Analysis & Portfolio Management

Programme	: B.Com. (Hons.)	Branch/Specialisation	: -
Duration	: 3 hours	Maximum Marks	: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Assume suitable data if necessary. Notations and symbols have their usual meaning.

Section 1 (Answer all question(s))

Q1. Investors agree to invest in high-risk investments if only-		1	1	2
<input checked="" type="radio"/> There are any true speculations	<input checked="" type="radio"/> The predicted return is satisfactory for taking a risk			
<input checked="" type="radio"/> There are no safe options except for holding cash	<input checked="" type="radio"/> The return is short			
Q2. _____ risks cover the risk of market, interest rate risk and purchasing power risk.		1	1	3
<input checked="" type="radio"/> Systematic	<input checked="" type="radio"/> Unsystematic risk			
<input checked="" type="radio"/> Financial	<input checked="" type="radio"/> Business			
Q3. If there is an increase in interest rates than the fixed interest rate of the corporate bond will-		1	2	4
<input checked="" type="radio"/> Return to the corporation	<input checked="" type="radio"/> Decrease in value			
<input checked="" type="radio"/> Remain unchanged	<input checked="" type="radio"/> Increase in value			
Q4. The _____ market assists existing investors in selling their stocks.		1	2	3
<input checked="" type="radio"/> Primary market	<input checked="" type="radio"/> Commodity market			
<input checked="" type="radio"/> Capital market	<input checked="" type="radio"/> Secondary market			
Q5. Who is called a father of fundamental analysis?		1	3	3
<input checked="" type="radio"/> Benjamin Graham	<input checked="" type="radio"/> Tinbergen			
<input checked="" type="radio"/> William	<input checked="" type="radio"/> Elliot Wave			
Q6. _____ analysis refers the study of the variables that influence the future of a firm both qualitatively and quantitatively.		1	3	5
<input checked="" type="radio"/> Company analysis	<input checked="" type="radio"/> Industry analysis			
<input checked="" type="radio"/> Technical analysis	<input checked="" type="radio"/> Economic analysis			
Q7. Technical analysis is useful_____.		1	4	4
<input checked="" type="radio"/> To make an estimate of growth in a stock market	<input checked="" type="radio"/> To find out the market forces influencing stock market			
<input checked="" type="radio"/> To indicate the direction of the overall market	<input checked="" type="radio"/> To analyze the economic activity of government.			
Q8. In the bull market-		1	4	4
<input checked="" type="radio"/> The stock prices are decreasing	<input checked="" type="radio"/> Each peak is higher than the previous peak			
<input checked="" type="radio"/> Each peak is lower than the previous peak	<input checked="" type="radio"/> None of these			
Q9. Markowitz efficient hypothesis initiated in_____.		1	5	3
<input checked="" type="radio"/> 1958	<input checked="" type="radio"/> 1959			
<input checked="" type="radio"/> 1961	<input checked="" type="radio"/> 1960			

Q10. The main objective of portfolio is to reduce _____ by diversification.

1 5 4

- Return Risk
 Uncertainty Percentage

Section 2 (Answer all question(s))

Q11. What do you mean by measurement of risk.

Marks CO BL
2 1 3

Rubric	Marks
What do you mean by Measurement of Risk.	2

Q12. What are the three different elements of investment?

3 1 4

Rubric	Marks
ANY THREE ELEMENTS	3

Q13. (a) Write a short note on:

5 1 4

- Market risk & Interest rate risk
- Business risk & financial risk

Rubric	Marks
As per explanation	5

(OR)

(b) Investing in levered companies is profitable during the boom period and avoiding it during recession is more wise. Elucidate.

Rubric	Marks
As per explanation	5

Section 3 (Answer all question(s))

Marks CO BL
3 2 3

Q14. What are the various forms of investment alternatives? Give a detailed account of any three.

Rubric	Marks
each investment alternatives carry 1 mark	3

Q15. (a) Explain the valuation of fixed & variable income securities in brief.

7 2 4

Rubric	Marks
Explain the valuation of fixed & variable income securities in brief.	7

(OR)

(b) Explain the valuation of stock return & bond return in detail.

Rubric	Marks
Explain the valuation of Stock Return & Bond Return in details.	7

Section 4 (Answer all question(s))

Marks CO BL
2 3 2

Q16. What do you mean by company analysis?

Rubric	Marks
As per explanation	2

Q17. (a) Define industry analysis. Explain different types of industry.

8 3 3

Rubric	Marks
Define Industry Analysis.(2 Marks) Explain different Types of industry.(6 Marks)	8

(OR)

(b) Explain the quantitative & qualitative factors of company analysis.

Rubric	Marks
Explain the Quantitative & qualitative factors of company analysis.	8

Section 5 (Answer all question(s))

Marks CO BL

2 4 4

Q18. What is a point and figure chart? How is it used?

Rubric	Marks
description	2

Q19. (a) How does technical analysis differ from the fundamental analysis?

8 4 3

Rubric	Marks
differences	8

(OR)

(b) Explain in detail the Dow theory. How is it used to determine the direction of stock market?

Rubric	Marks
detail the Dow theory (4 Marks)	8
determine the direction of stock market (4 Marks)	

Section 6 (Answer any 2 question(s))

Marks CO BL

5 5 5

Q20. What is meant by portfolio management? How is it constructed?

Rubric	Marks
meaning (2.5 Marks)	5
construction (2.5 Marks)	

Q21. Distinguish between Treynor and Sharpe indices of portfolio performance.

5 5 4

Rubric	Marks
differences each 1 mark	5

Q22. Write a short note on:

5 5 4

- Portfolio performance evaluation,
- Portfolio revision.

Rubric	Marks
Write a short note on 1)Portfolio performance evaluation, 2)Portfolio revision.	5
