

MMS/DX-6189
FM-307 SECURITY ANALYSIS AND
INVESTMENT MANAGEMENT

Time : 3 Hours

Maximum Marks : 70

Note : Attempt Five question in all. Question No.1 is compulsory. All questions carry equal marks.

Q-1 Write brief explanation of the following :

(i) Intrinsic value of equity share

(ii) Bond duration

(iii) Money Market

(iv) Market Return

(v) Candle stic chart

(vi) Stock Brokers

(vii) Dipositories

2x7=14

Q-2 (a) "Book building is a process of price discovery."

Explain.

(b) Discuss the important objectives of security analysis.

7+7=(14)

- Q-3 What are the segments of a capital market? Explain the new issue market and its latest position in India. (14)
- Q-4 A company is expecting to pay annual dividend of Rs. 3 per share and this dividend is expected to grow at a rate of 8 percent for the next four years. Thereafter, the dividend growth rate is expected to slow down to a constant rate of 5% per annum. Assuming the expected rate from the share to be 7 percent, compute the value of the share. (14)
- Q-5 The value of a bond is equal to the present value of its expected cash flows. Elucidate with an example. (14)
- Q-6 Write notes on :
- (a) Real Estate Investment
 - (b) Investment in Government Securities. 7+7=(14)
- Q-7 Discuss relationship between fundamental analysis and semi-strong form of market efficiency. How semi-strong form of EMH repudiates the fundamental analysis? (14)
- Q-8 Write notes on :
- (a) Role of investment companies.
 - (b) Role of Pre-trading session started recently on National Stock Exchange. 7+7=(14)