

Dr. BabasahebAmbedkar Open University
Term End Examination January – 2019

Course	: PGDF	Date	: 14/02/2019
Subject Code	: PGDF-202	Time	: 11:00am to 02:00pm
Subject Name	: Security Analysis and Portfolio Management	Duration	: 03 Hours
		Max. Marks	: 70

Section A

Answer the following (Attempt any three) (30)

1. Explain functions of new issue market
2. Explain the three phases of primary trends in Dow theory.
3. What is mutual fund ? Discuss the advantages and disadvantages of mutual fund.
4. Define stock exchange. Discuss the history and role of stock exchange.
5. Explain preferred stock. Enumerate the rights of the preferred stock.

Section B

Answer the following (Attempt any four) (20)

1. Write the different financial instruments used in money market.
2. Explain the concept of NAV.
3. What do you mean by traded stock options?
4. What is speculator? State different types of speculators.
5. Write a note on annual general meeting.
6. Explain the rights of shareholder.

Section C

Part – A (Multiple Choice Questions) (10)

- 1 Which statement is correct for the investor?
A To buy stock of more value as compare to penny value stocks
B To buy shares which have high P/E ratio
C To do averaging in stocks
D All of the above
- 2 The Credit Linked Note is generic name of _____
A Bond
B Equity
C Future
D Option
- 3 In a market which among the following trend will last for one year?
A Secondary
B Primary
C Minor
D None of the above.
- 4 Commissions for direct access brokers are calculated based on _____
A Amount of stock
B Volume of stock
C Type of stock
D All of the above
- 5 Which is not a type derivative?
A Futures
B Forwards
C Options
D Currency

- 6 Hedge funds are similar to_____
- A Equities B Mutual funds
C Commodities D Bonds
- 7 The mutual fund provides shareholders with_____
- A Professional investment management B Diversification
C Liquidity D All of the above
- 8 Bonds are commonly referred to as_____
- A Fixed income securities B Fixed debt securities
C Both A and B D Neither A nor B
- 9 Stock exchange is a place where_____are traded.
- A Mutual fund B Equities
C Money D All of the above
- 10 The equity can be calculated as_____
- A Total assets + total liabilities B Total assets - total liabilities
C Total assets / total liabilities D Total assets * total liabilities

Part – B (Do as Directed)

(10)

Explain the following terms

- 1 Share
- 2 Dividend
- 3 Stock
- 4 Portfolio
- 5 Speculator
- 6 Arbitrager
- 7 NSE
- 8 BSE
- 9 Nifty 50
- 10 Sensex