

Indian Institute of Management and Commerce (IIMC)

(UG& PG College), Hyderabad, An Autonomous College

(Re-accredited by NAAC with A+ Grade)

An ISO 9001:2015 Certified College

Internal Quality Assurance Cell (IQAC)

M.Com

Second year – Semester III,

Subject: Security Analysis & Portfolio Management

UNIT–I: SECURITY ANALYSIS

1. Define Fundamental Analysis and explain its importance, including the process of economic analysis, industry analysis, and company analysis.
2. What is Economic Forecasting? Explain the various techniques of economic forecasting and their importance in investment decisions.
3. Define Industry Analysis and explain the concept of industry, industry characteristics, and the different stages of the Industry Life Cycle.
4. What is Company Analysis? Explain its importance and discuss the role of financial statements in security analysis.
5. Explain the various methods used for the analysis of financial statements and discuss their significance in evaluating a company's financial performance.
6. Define Technical Analysis and explain its meaning, importance, and basic principles.
7. Explain Dow Theory and discuss its basic principles and significance in analysing stock market movements.
8. Explain Elliott Wave Theory and discuss its application in predicting stock market movements.
9. What are Mathematical Indicators and Market Indicators? Explain their types and importance in Technical Analysis.
10. Explain the Random Walk Theory and discuss its implications for investment decisions in the stock market.
11. Define the Efficient Market Hypothesis (EMH) and explain its basic assumptions and importance in security analysis.

12. Explain the three forms of market efficiency: weak-form, semi-strong-form, and strong-form efficiency.

13. Explain the various tests of the Efficient Market Hypothesis and discuss their significance in evaluating market efficiency.

UNIT-II: VALUATION OF SECURITIES

1. Explain the concept of Present Value and discuss its importance in the valuation of shares.

2. Explain the different Share Valuation Models and discuss their significance in investment decisions.

3. Explain bond returns and discuss the bond yield measures of coupon rate, current yield, yield to maturity and Yield to call.

4. What is the Spot Interest Rate? Explain its importance in bond valuation.

5. Explain the concept of Yield to Call and distinguish it from Yield to Maturity.

6. Define Bond Duration and explain its importance in measuring interest rate risk.

7. Differentiate between share valuation and bond valuation, explaining the major models and factors considered in each.

8. What are bond risks? Explain the different types of risks associated with bond investments.

Note: Numerical problems on the one-year holding period, multiple-year holding period, constant growth model, multiple growth model, multiplier approach in share valuation and in bond valuation measures i.e. Current Yield, Yield to Maturity, Yield to call, approximate YTM, approximate YTC and Bond duration.