Roll No.   **Total No. of Pages : 02**

Total No. of Questions : 06

MBA (Campus) (Sem.–3)

SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Subject Code : MBA-313

M.Code : 51203

Time : 3 Hrs.   **Max. Marks : 60**

INSTRUCTIONS TO CANDIDATES :

1. **SECTION-A contains SIX questions carrying TWO marks each and students have to attempt ALL questions.**
2. **SECTION-B consists of FOUR questions each carrying TEN marks each and student has to attempt ALL questions.**
3. **SECTION-C consists of ONE Case Study carrying EIGHT marks.**
4. **All Questions are Compulsory.**

SECTION-A

1. **Write short notes on :**

   a) Primary market V/s secondary market

   b) Stop loss

   c) Types of risk

   d) Reversal Patterns

   e) Payoffs and option strategies

   f) Market efficiency

SECTION-B

2. How are the major players in secondary market? Discuss the trading and settlement mechanism.

3. What do you understand by investment? Discuss the various objective of investment.

4. Define Technical analysis. Discuss various types of chart.

5. Give introduction to derivatives. Also discuss the various types of derivatives.

SECTION-C

6. Case Study :

"*The Reserve Bank of India (RBI) on expected lines slashed repo rates by 25 bps and maintained an accommodative stance. The stock market reacted sharply with the benchmark indices losing close to 1 per cent in a hurry soon after the policy announcement*". There are several reasons for such perceived hype on the impact of monetary policy on the stock market. First, monetary policy announcements are much more frequent than their fiscal counterparts. Second, in standard macroeconomic models monetary policy tend to work through influencing private investment via changes in interest rates or through influencing net exports via changed in exchange rates. Thus, unless it is an abnormal time of a recession, the private players (including financial market participants) are far more comfortable with monetary policy actions. One of the sources of this hype about the monetary policy is perhaps its perceived impact in stock market. How does it happen? The popular perception is captured in *Investopedia* which commented, "*The impact of monetary policy on investments is direct as well as indirect ... The direct impact is through the level and direction of interest rates, while the indirect effect is through expectations about where inflation is headed*".

***Question* :**

a) What do you mean by monetary & fiscal policy?

b) Discuss the role of monetary & fiscal policy in fundamental analysis.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.