

**D 120002****(Pages : 2)****Name.....****Reg. No.....****SIXTH SEMESTER (CBCSS-UG) DEGREE EXAMINATION, MARCH 2025****B.Com.****BCM 6B 14—FUNDAMENTALS OF INVESTMENTS (FINANCE SPECIALISATION)****(2019 Admission onwards)****Time : Two Hours and a Half****Maximum : 80 Marks***Answers should be written in English only.***Section A***Answer **all** questions.**Each question carries 2 marks ; ceiling 25 marks*

- 1) What is a portfolio ?
- 2) What do you mean by semi strong form hypothesis ?
- 3) What is coupon rate ?
- 4) What is SCORES ?
- 5) What is security market line ?
- 6) What is an efficient portfolio ?
- 7) What do you mean by portfolio evaluation ?
- 8) What is single index model ?
- 9) What is UPSI ?
- 10) What is investor activism ?
- 11) What is YTC ?
- 12) What is black candle stick ?
- 13) What do you mean by duration of a bond ?
- 14) What are leading indicators ?
- 15) What is support level ?

**(15 × 2 = 30 marks ; Ceiling 25 marks)****Turn over**

**Section B**

*Each question carries 5 marks ; ceiling 35 marks.*

- 16) Distinguish between investment and gambling.
- 17) What is risk ? Write a note on unsystematic risk.
- 18) Briefly explain the Elliot wave theory.
- 19) Write a note on market indicators.
- 20) Discuss the empirical tests of weak form efficiency.
- 21) Write a note on Sharpe's single index model.
- 22) You have decided to buy 500 shares of an IT company with the intention of selling out at the end of 5 years. You estimate that the company will pay Rs. 3.50 per share as dividends for the first two years and Rs. 4.50 per share for the next 3 years. You further estimate that, at the end of the five year holding period, the shares can be sold for 85. What would you be willing to pay today for these shares if your required rate of return is 12% ?
23. Stocks Infosys and Tech Mahindra yielded the following for past years :

Years	Return in Percentage	
	Infosys	Tech Mahindra
2021	12	14
2022	18	12

What is the expected return on portfolio made up of 60% Infosys and 40% Tech Mahindra ?

(8 × 5 = 40 marks ; Ceiling 35 marks)

**Section C**

*Answer any **two** questions.  
Each question carries 10 marks.*

- 24) Define investment. Briefly explain the various investment avenues.
- 25) What is insider trading ? What are the measures taken by SEBI for the prohibition of insider trading practices ?
- 26) Explain in detail the Economy - Industry - Company framework analysis.
- 27) What do you mean by technical analysis ? What are its basic principles ? Also discuss the various mathematical indicators.

(2 × 10 = 20 marks)