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

OMMS/M-20　　　**13159**

PORTFOLIO MANAGEMENT
FM-406

Time : Three Hours]　　　　　[Maximum Marks : 70

Part A

1. State and explain any *eight* of the following :　**8×5=40**
   (i)　Investment portfolio
   (ii)　Portfolio construction process
   (iii)　Security market line
   (iv)　Leveraged portfolios
   (v)　Treynor ratio
   (vi)　Constant ratio plan
   (vii)　Portfolio churning
   (viii)　Optimum portfolio
   (ix)　Risk free return
   (x)　Limits to diversification.

Part B

Note :　Attempt any *three* questions.

2. State and differentiate traditional and modern portfolio approaches. How does modern portfolio approach facilitate risk-return optimisation ? Explain.　**5+5=10**

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3. Critically examine the validity and efficiency of Sharpe Single model of portfolio construction. **10**

4. State and differentiate CAPM and APT. Do you consider APT as a better narrative to explain asset prices ? Explain. **5+5=10**

5. Describe, in detail, portfolio management strategies. **10**

6. What is Stock Selectivity ? Describe, how portfolio managers attempt stock selection ? **4+6=10**