23U674 (Pages: 2) Name: ....

Reg.No: ....

SIXTH SEMESTER B.Com. DEGREE EXAMINATION, APRIL 2026

(CBCSS - UG)

(Regular/Supplementary/Improvement)

CC19UBCM6B14 - FUNDAMENTALS OF INVESTMENT

(Commerce: Finance - Core Course)

(2019 Admission onwards)

Time : 2.5 Hours Maximum : 80 Marks

Credit : 4

Part A (Short answer questions)

Answer ***all*** questions. Each question carries 2 marks.

1. What is Risk Adjusted Return?
2. What is NSE?
3. What is Unsystematic risk?
4. What is actual return?
5. What is Risk?
6. What is Beta and Standard Deviation?
7. What is equity?
8. What is default risk?
9. What is fundamental analysis?
10. What is DOW theory?
11. List out the various types of portfolio.
12. Define portfolio management.
13. What is Markowitz model?
14. There are two equity shares A and B in a portfolio with expected return of 20 % and 30 % respectively. Total fund invested between A and B is 40% and 60%. Compute expected return from its portfolio.
15. What is investor awareness?

(Ceiling: 25 Marks)

Part B (Paragraph questions)

Answer ***all*** questions. Each question carries 5 marks.

16. Explain the investment decision process.

17. What are the statistical tools used to measure the risk of securities return?

18. Rs. 1000 face value bond bearing a coupon rate of 3.5 % mature after 10 years. The expected yield to maturity is 6 %. The present market price is Rs. 802. Is the bond worth buying for an invester?

19. Determine Macaulay's duration of a bond that has a face value of Rs. 1,000 with 10 per cent annual coupon rate and 3 years term to maturity. The bond's yield to maturity is 12 per cent.

20. Explain head and shoulder bottom?

21. What are oscillators? Explain the calculation and interpretation of any one oscillator.

22. Mr. A holds stocks of two companies A and B with the following details

Particulars	A	B
Security return	10	5
Security variance	0.0064	0.0016
Investment proportion	0.5	0.5
Correlation co-efficient	0.5	

What is the portfolio return and portfolio risk?

23. Explain the important investor protection strategies followed by SEBI.

(Ceiling: 35 Marks)

Part C (Essay questions)

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

24. What is YTM of Rs.1000, 10 years zero coupon bond if the issue price is Rs.190.

25. Mr. X is planning to buy an equity share to hold it for 2 years and then to sell it. The expected dividend at the end of year 1 is Rs. 7 and Rs. 7.50 at the end of year 2. The expected selling price of the share at the end of year 2 is Rs. 220. Calculate the value of the share at 15 % discount rate.

26. Discuss about the technical analysis as a tool for security selection.

27. Technical analysts believe that one can use past price changes to predict future price changes. How do they justify this belief?

(2 × 10 = 20 Marks)

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