

10. What are various basic tenets of Dow theory? What are the various phases of bull and bear trend? Discuss in detail critical appraisal of Dow Theory.

UNIT-III

11. What do you mean by portfolio management? Discuss in detail portfolio evaluation and revision techniques. What are the different forms of bond portfolio management strategies discuss in detail?
12. Discuss in detail with the help of example how Markowitz model and single index pricing model helps to measure market efficiency.

UNIT-IV

13. What do you mean by option? Discuss in detail with the help of example how Black scholes approach is used fixing the price of financial instrument and hedging the risk.
14. Discuss in detail the evolution of derivatives market. What are the tools used by financial engineer to customize the financial product in the era of globalization?

SECTION-C

15. The following table gives dividend and share price data for hind manufacturing company :

Year	Dividend per share	Closing share price
1999	2.50	12.25
2000	2.50	14.20
2001	2.50	17.50
2002	3.00	16.75
2003	3.00	18.45
2004	3.25	22.25
2005	3.50	23.50
2006	3.50	27.75
2007	3.50	25.50
2008	3.75	27.95
2009	3.75	31.30

You are required to calculate

1. The annual rates of return
2. The expected (average) rate of return
3. The variance
4. The standard deviation of return.