

ASSIGNMENT

1. What is a portfolio theory?
2. What are the considerations of an investor while investing in stocks?
3. What is the concept of optimal point?
4. How has the concept of capital market line improved upon the Markowitz mean variance model?
5. What is the limitation of holding a market portfolio?
On what grounds was the CAPM model established?
6. What does the security market line represent?
7. Differentiate between the uses of alpha and beta coefficients.
8. Which statistical tool is used by a characteristic line? How?
9. What are macro-economic factors? Give examples.