

21U670

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Name:

Reg.No:

SIXTH SEMESTER B.B.A. DEGREE EXAMINATION, APRIL 2024

(CBCSS - UG)

(Regular/Supplementary/Improvement)

CC19U BBA6 B16 - INVESTMENT MANAGEMENT

(B.B.A. - 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. State the steps involved in investment decision process.
2. What is speculation?
3. What is an investment policy?
4. What is expected return?
5. What is exchange rate risk?
6. What do you mean by top-down approach?
7. What do you mean by defensive industries?
8. Write any four advantages of technical analysis.
9. What is dow theory?
10. What do you mean by rectangle pattern?
11. Define efficient market.
12. Distinguish between efficient market theory and random walk theory.
13. What is conservative portfolio?
14. If a portfolio has a return of 12% and a beta of 1.4, and if the risk free rate is 2%, then what is its Treynor ratio?
15. What is portfolio revision?

(Ceiling: 25 Marks)

Part B (Paragraph questions)

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

16. Define investment. Explain the objectives of Investment.
17. Calculate expected return of the investment
- | | | | | | | |
|----------------------|---|------|------|------|------|------|
| Possible returns (%) | : | 30 | 40 | 50 | 60 | 70 |
| Probability | : | 0.10 | 0.30 | 0.40 | 0.10 | 0.10 |
18. Explain Beta measurement principle.
19. Discuss the advantages of fundamental analysis.
20. Distinguish between fundamental and technical analysis.
21. Explain different types of trendlines formed in technical analysis.
22. Briefly explain the modern portfolio theory.
23. If the market portfolio yields an expected rate of return of 13% with a standard deviation of 25% and the risk free rate of interest is 7%, what is the slope of CML?

(Ceiling: 35 Marks)

Part C (Essay questions)

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

24. Why do people conduct investment? What are the factors which are favourable for making investment in an economy?

25.

<u>Year</u>	<u>Return from Market</u>	<u>Return from ACC Ltd</u>
1981	15	16
1982	14	12
1983	17	19
1984	16	18
1985	<u>13</u>	<u>15</u>
	75	80

Find Alpha.

26. Describe the key economic, industry and company variables that an investor must monitor as a part of fundamental analysis.
27. Explain: (a) Candlestick chart (b) Point and figure chart

(2 × 10 = 20 Marks)
