

20U670

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Name: .....

Reg.No: .....

**SIXTH SEMESTER B.B.A. DEGREE EXAMINATION, APRIL 2023**

(CBCSS - UG)

(Regular/Supplementary/Improvement)

**CC19U BBA6 B16 - INVESTMENT MANAGEMENT**

(BBA - 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 investment environment?
2. What do you mean by security analysis?
3. Point out any two differences between Investment and Gambling.
4. Define return.
5. What is liquidity risk?
6. What is E-I-C analysis?
7. Mention different tools used for company analysis.
8. What is open interest?
9. How many movements are tracked by Dow theory in the capital market?
10. What is GAPS?
11. What do you mean by random walk theory?
12. What is uptrend line?
13. What is conservative portfolio?
14. What do you mean by Expected return on portfolio?
15. What is the required rate of return on the shares if the return on the market is 11% and the risk free rate is 6%? The respective beta values are 0.5, 1.0 and 2.0.

**(Ceiling: 25 Marks)**

**Part B** (Paragraph questions)

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

16. Explain briefly the various investment avenues.

17. The return on investment of Hyderabad Industries Ltd for the last 6 years is listed below. Compute the standard deviation of returns.

Period	1	2	3	4	5	6
ROI in %	12	16	15	14	15	12

18. Explain Beta measurement principle.
19. Explain why economic analysis is conducted as a part of fundamental analysis.
20. Explain briefly different types of charts used for stock analysis.
21. What are the assumptions of efficient market theory?
22. The details of two portfolios A and B is given below.

Portfolio	Return	SD	Rf
A	20%	4%	10%
B	24%	8%	10%

Evaluate which fund performs better

23. Briefly explain portfolio revision strategies.

(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. The daily prices of CRISIL stock and NSE NIFTY was as follows. Calculate beta of CRISIL.

Day	CRISIL Stock price	NSE Nifty
1	597.80	904.95
2	570.80	845.75
3	582.95	874.25
4	559.85	847.95
5	554.60	849.10
6	545.10	835.80
7	519.15	816.75
8	560.70	843.55
9	560.95	835.55
10	597.40	840.95

26. Explain the importance of fundamental analysis and also explain the various approaches to security analysis.

27. Discuss the advantages and limitations of technical analysis.

(2 × 10 = 20 Marks)

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