

19U648

(Pages: 2)

Name:

Reg.No:

SIXTH SEMESTER B.B.A. DEGREE EXAMINATION, APRIL 2022

(CBCSS - UG)

CC19U BBA6 B16 - INVESTMENT MANAGEMENT

(Commerce - Core Course)

(2019 Admission - Regular)

Time : 2.5 Hours

Maximum : 80 Marks

Credit : 4

Part A (Short answer questions)

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

1. List out the objectives of investment.
2. State the steps involved in investment decision process.
3. Point out any two differences between Investment and Gambling.
4. What is expected return?
5. What is coefficient of variation?
6. What is industry analysis?
7. What is company analysis?
8. Write any four advantages of technical analysis.
9. Briefly explain stages of primary bear market.
10. What is weak form of efficiency?
11. Distinguish between efficient market theory and random walk theory.
12. What is trend reaction?
13. What is markowitz model in 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. Distinguish between active revision and passive revision strategy.

(Ceiling: 25 Marks)

Part B (Paragraph questions)

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

16. Explain briefly various types of investment.
17. What are systematic risk? Gve examples.
18. Calculate expected return of the investment
Possible returns (%) : 30 40 50 60 70
Probability : 0.10 0.30 0.40 0.10 0.10
19. Discuss the advantages of fundamental analysis.
20. Explain briefly different types of charts used for stock analysis.
21. Explain different types of patterns used for stock analysis.
22. Explain different types of portfolios.
23. Risk free rate of return is 11%. Beta coefficient is 1.25. Compute the cost of equity capital under CAPM model assuming market return is 15%. What would be the cost of equity if beta coefficient increases to 1.75.

(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. Monthly return data for XYZ Ltd. and BSE index for 12 months period are presented below:

Month	1	2	3	4	5	6	7	8	9	10	11	12
XYZ Ltd	-0.75	5.45	-3.05	3.41	9.31	2.36	-0.42	5.51	6.80	2.60	-3.81	-1.91
BSE Index	-0.35	-0.49	-1.03	1.64	6.67	1.13	0.72	0.84	4.05	1.21	0.29	-1.96

Calculate alpha and beta for XYZ Ltd?

26. What do you mean by fundamental analysis? Discuss the various steps involved in fundamenal analysis.
27. What is Technical analysis? Discuss its assumptions and also explain various trading strategies in technical analysis.

(2 × 10 = 20 Marks)
