22U671 (Pages: 2) Name : ....

Reg No. : ....

SIXTH SEMESTER B.B.A. DEGREE EXAMINATION, APRIL 2025

(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. List out the features of investment?
2. What do you mean by security analysis?
3. Point out any two differences between Investment and Gambling.
4. What do you mean by an investment policy statement?
5. What do you mean by rate of return?
6. What is standard deviation?
7. State the difference between "Top-down" and "Bottom-up" forecasting approach
8. What do you mean by defensive industries?
9. What is reaction trend?
10. What is candlestick chart?
11. What are the features of cup and handle pattern?
12. What is strong form of efficiency?
13. Distinguish between efficient market theory and random walk theory.
14. What is down trend line?
15. What is risk premium?

(Ceiling: 25 Marks)

Part B (Paragraph questions)

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

16. What are systematic risk? Gve examples.

17. Probability distribution of returns.

State of the economy	Probability	Return on stock A	Return on stock B
1	0.20	15%	-5%
2	0.20	-5%	15%
3	0.20	5%	25%
4	0.20	35%	5%
5	0.20	25%	35%

Calculate risk.

18. Find the standard deviation of the rate of return on the shares of a particular company over 5 years.

Year	2000	2001	2002	2003	2004
Rate of return (%)	10	20	-5	12	13

19. Briefly explain the important tools of fundamental analysis.

20. Explain the different trading strategies followed in technical analysis.

21. What are the criticisms of technical analysis?

22. What are the benefits of diversification?

23. Assume that we have the following data for three funds namely ,ABC,DEF and GHI their rate of return and beta . The risk free rate is12%.The risk for the market is 1.0 and the rate of return for the market is 18%.

Fund	Return	Beta
Market	18	1.0
ABC	16	0.90
DEF	20	1.05
GHI	22	1.20

Calculate the value of each manager using Treynores index

(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. Describe major economic factors affecting the performance of securities.

26. Explain the company analysis with regard to fundamental analysis

27. Briefly explain the objectives and importance of portfolio management.

(2 × 10 = 20 Marks)

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