# CC-357

## M. B. A. EXAMINATION, May 2018

(Fourth Semester)

(Main & Re-appear)

INVESTMENT MANAGEMENT

FM01

*Time* : 3 *Hours*] [*Maximum Marks* : 70

Before answering the question-paper candidates should ensure that they have been supplied to correct and complete question-paper. No complaint, in this regard, will be entertained after the examination.

**Note** : Attempt *Five* questions in all, selecting at least *one* question from each Unit. All questions carry equal marks.

## Unit I

1. Explain financial and non-financial forms of investment. Also discuss the objectives of financial investment. **14**

2. Write short notes on the following : **4+6=14**
   (a) Functioning of stock exchanges
   (b) Trading and settlement procedures at NSE.

## Unit II

3. How would you make the valuation of fixed income instruments ? Also discuss any importance bond pricing theorem of your choice. **14**

4. Write short notes on the following : **7+7=14**
   (a) Systematic and unsystematic risk
   (b) Purchasing power risk and management risk. **7**



## Unit III

5. What is the relationship between economic factors and industry analysis ? Why must an analyst always investigate the industry when looking a particular security ? **14**

6. Write short notes on the following : **8+6=14**
   (a) Define weak form of Efficient Market Hypothesis (EMH) with relevant examples.
   (b) Significance of fundmental analysis.

## Unit IV

7. Define Markowitz diversification model. What are the strength and weakness of the Markowitz approach ? **14**

8. Write short notes on the following : **7+7=14**
   (a) Process of portfolio management
   (b) Formula plans in portfolio revision.