

Code: 12E01306b

MBA (Finance) III Semester Supplementary Examinations September/October 2014

INVESTMENT & PORTFOLIO MANAGEMENT

(For students admitted in 2012 only)

Time: 3 hours

Max Marks: 60

Answer any FIVE questions
All questions carry equal marks

- 1 Discuss the characteristics of investors, speculators and gamblers. Explain the impact of each on the investment process.
- 2 Write the functions of the new issue market and secondary market. Explain the trading mechanism in stock exchanges in India.
- 3 State the meaning, rationale, procedure and limitations of fundamental analysis.
- 4 Explain the nature and methodology of technical analysis. What are the differences between 'Bar Charting' and 'Candle Stick Charting'?
- 5 What is return? Explain different methods of calculating return.
- 6 What is portfolio management? Explain the models of portfolio management.
- 7 What are the basic valuation models of bonds? How do you calculate 'Yield' on bonds?
- 8 As a management trainee of financial institution you have to analyze the share prices of two companies along with the NSE index.

Company A	Company B	NSE
382.80	585.30	6221.45
385.85	579.35	6297.95
386.50	582.05	6328.65
380.40	572.95	6401.15
378.70	604.30	6526.65
376.95	580.25	6537.25
375.40	597.00	6511.90
381.20	612.80	6516.90
379.75	621.00	6493.10
385.50	623.70	6504.20
378.65	619.40	6516.65

- (a) In your opinion which one is having high systematic risk?
- (b) On the basis of return which company stock would you select?
