

Code: 9E00306a

MBA III Semester Regular and Supplementary Examinations April 2014

INVESTMENT AND PORTFOLIO MANAGEMENT

(For students admitted in 2010, 2011 and 2012 only)

Time: 3 hours

Max. Marks: 60

Answer any FIVE questions
All questions carry equal marks

- 1 Discuss the structure and function of financial markets.
- 2 Explain the trading system/mechanism in stock exchange.
- 3 How do you explain the differences in the performance of companies with in the same industry?
- 4 (a) Explain the Elliott wave theory.
(b) Explain the Dow theory.
- 5 Define beta. How does it influence the investment decision making process?
- 6 Mr. RKV invested in equity shares of Wipro limited, it's anticipated returns and associated probabilities are given below:

Return %	Probability
-15	0.05
-10	0.10
5	0.15
10	0.25
15	0.30
20	0.10
30	0.05

You are required to calculate:

- (a) The expected rate of return.
 - (b) Risk in terms of SD.
- 7 What is the difference between active equity management and passive equity management?
 - 8 Discuss the various approaches for portfolio revision. Compare their relative merits and demerits.
