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**BBABMC 362/BBMBMC 362**

**Credit Based Sixth Semester B.B.A./B.B.M. Degree Examination, Sept./Oct. 2020  
(2012 Scheme)**

**INVESTMENT MANAGEMENT**

Time : 3 Hours

Max. Marks : 120

**SECTION – A (2 marks each)**

1. Answer **any ten** of the following in **2 or 3** sentences **each**. **(10×2=20)**
- What are blue chip stocks ?
  - List any four indices compiled by Bombay stock exchange.
  - Give the meaning of 'Zero Coupon Bonds'.
  - What is a Portfolio ?
  - What are Futures ?
  - What is meant by Bookbuilding ?
  - What do you mean by 'Alpha' ?
  - State any four advantages of mutual funds.
  - What is a depository ?
  - Distinguish between primary and secondary market.
  - What is the meaning of 'Trustee' with reference to mutual funds ?
  - The standard deviation of a share is 0.29, while of market is 0.22. Correlation coefficient is 0.14. Calculate the Beta coefficient.

**SECTION – B (8 marks each)**

Answer **any five** of the following in **not** more than **2** pages **each**. **(5×8=40)**

- What do you mean by fundamental analysis ? Explain the factors to be considered in economic analysis.
- What are the features of a developed money market ? Explain.
- Describe the features of Government Securities.

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5. What is credit rating ? Write a note on 'CRISIL'.
6. How would you rate life insurance as a form of investment ? Explain.
7. What is listing of shares ? State the advantages of listing of shares.
8. Mr. Gagan is considering several investments. The risk-free return is currently 8% and the expected return for the market is 14%. What should be the required rates of return for each investment using CAPM ?

<b>Security :</b>	CIPLA	DLF	HDFC	HERO	INFOSYS
<b>Beta :</b>	1.22	0.75	1.31	0.90	1.39

**SECTION – C (20 marks each)**

Answer the following in **not** more than **6** pages **each**.

**(3×20=60)**

9. Distinguish between investment and speculation. What are the factors favourable for making investments in an economy ?

OR

What is Risk ? Explain different types of risks in investments.

10. Define stock-exchange. Explain the functions of a stock-exchange.

OR

What is meant by technical analysis ? Explain the various tools of technical analysis.

11. What are mutual funds ? Explain the different types of mutual funds.

OR

What are corporate securities ? Explain the different kinds of corporate securities with their features.

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