Roll No.

Total No. of Pages : 02

Total No. of Questions : 10

MBA (Sem–3)

INVESTMENT ANALYSIS AND PORTFOLIO MANAGEMENT

Subject Code : MBA911-18

M.Code : 76896

Date of Examination : 24-05-2023

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A contains EIGHT questions carrying TWO marks each and students has to attempt ALL questions.
2. SECTION-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consists of ONE Case Study carrying TWELVE marks.

SECTION-A

1. **Write briefly :**

   a) Insider Trading

   b) Investment

   c) Industry Analysis

   d) Margin of Safety

   e) Momentum

   f) Diversification

   g) Single Index Model

   h) Put Options

SECTION-B

UNIT-I

2. What do you mean by risk? Differentiate between systematic and unsystematic risk briefly. Discuss how the simple, annualized, expected and abnormal returns are computed.

3. What do you mean by secondary market? Discuss the features and functions of Indian stock market. Also, briefly discuss the trading and settlement cycle in the Indian stock market.

UNIT-II

4. *"Long-term investment requires an art and skill of picking diamonds from the dust".* Elucidate with suitable examples.

5. Define fundamental analysis. Discuss in detail the role of fundamental analysis in growth and value styles of investing.

UNIT-III

6. Define technical analysis. Briefly discuss various methods used for predicting future price movement through technical analysis.

7. What do you mean by portfolio management? Discuss in detail the various approaches for portfolio construction. Give suitable examples in support of your answer.

UNIT-IV

8. What do you mean by Capital Asset Pricing Model? Discuss the assumptions and application of Capital Asset Pricing Model.

9. Differentiate between forward and futures contracts. Briefly discuss how the payoffs of futures contracts are computed for long and short positions.

SECTION-C

10. Case Study :

If the risk-free rate of return is 6% and using the data given below, you are required to cc

a) Ex-ante Beta of Stock A and B.

b) Ex-ante Alpha of Stock A and B.

c) Also suggest, which stock will be a good bet for investment.

Probability	Conditional Returns (%)		
	Stock A	Stock B	Market
0.20	–12	15	–15
0.15	30	35	20
0.30	40	20	30
0.10	20	–30	35
0.25	–15	–10	–10

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.