

Roll No.

Total No. of Pages : 02

Total No. of Questions : 17

MBA (2018 Batch) (Sem.-3)
INVESTMENT ANALYSIS AND PORTFOLIO MANAGEMENT
Subject Code : MBA 911-18
M.Code : 76896

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

Write briefly :

1. Confidence indicators
2. PE Ratio
3. Systematic risk
4. Portfolio construction
5. Security Market line
6. Marked to the Market concept
7. Factors influencing option premium
8. Figure Charting

SECTION-B

UNIT-I

9. Narrate the objectives of Investment Management. How the investment opportunities are identified?
10. Who are the participants in the secondary market? Explain in details with examples the trading and settlement mechanisms.

UNIT-II

11. What is Fundamental Analysis all about? How the various environment factors influence the investment valuation?
12. What is the concept of intrinsic value? Explain the process of conducting Industry analysis and Company Analysis.

UNIT-III

13. What is portfolio Analysis? What are the effects of combining securities in portfolio analysis?
14. What is Dow Theory all about? Critically appraise the Dow Theory.

UNIT-IV

15. What is the rationale behind Capital Asset pricing Model (CAPM)? What are the basic assumptions of CAPM? Why in the perfect world of the CAPM, the financing decision and investment decision are separate?
16. What do you understand by a derivative contract? What are its different types? Explain with examples.

SECTION-C**17. Case Study :**

Kapil Shah (Kapil) had started investing in the share market in his mid-twenties and had seen some ups and downs over a decade. Kapil then decided to overhaul all his existing stock positions on the increasing prospects of the Narendra Modi led National Democratic Alliance coming to power in India in May 2014. On the election results day - May 16, 2014 - he bought ten stocks to ride the possible development wave agenda of the new government. However, by the end of February 12, 2016, his portfolio had generated a return of only 1.96%. Things became tough for Kapil as repayment for a loan fell due on August 22, 2016. Kapil wanted someone's help to ensure he generated good returns from his portfolio so that he could repay the loan by liquidating a part or even his complete stock portfolio. For this, he contacted Dhaval P Vyas Investment Research, one of the leading financial consultancy firms in India. Based on Kapil's profile, Dhaval P Vyas suggested that Kapil drop six underperforming stocks and purchase six stocks which he expected would perform better in the future.

Question :

What should Kapil do now?

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.