

MASTER OF BUSINESS ADMINISTRATION (CBCS - 2022 COURSE)
M.B.A. Sem-III : SUMMER : 2024
SUBJECT: INVESTMENT ANALYSIS & PORTFOLIO MANAGEMENT

Day : Wednesday
Date : 22/05/2024

S-25980-2024

Time : 02:00 PM-05:00 PM
Max. Marks : 100

N.B.

- 1) Answer **ANY FOUR** questions from Section – I and **ANY TWO** questions from Section – II.
- 2) Figures to the right indicate **FULL** marks.
- 3) Answers to both the sections should be written in the **SAME** answer book.
- 4) Use of non-programmable calculator is allowed.

SECTION – I

- Q.1** Explain the role of securities market in Indian Economy. (15)
- Q.2** What do you mean by Mutual Fund? Explain types of Mutual Fund Schemes. Suggest any two schemes for individuals who wish to earn capital appreciation. (15)
- Q.3** Discuss testing techniques of weak form of Efficient Market Hypothesis. (15)
- Q.4** Explain the concept and types of Derivative with appropriate examples. (15)
- Q.5** Define the concept of Investment. Comment on the various types of risks involved in investment. (15)
- Q.6** Write short note on **ANY TWO**: (15)
- a) Bond Management Strategies
 - b) Optimal Portfolio and Efficient Frontier
 - c) Technical Indicators

SECTION – II

- Q.7** What do you mean by Fundamental Analysis? Distinguish between Fundamental Analysis and Technical Analysis with suitable examples. (20)
- Q.8** a) Explain the concept and process of Portfolio Management. (13)
b) The following information is available: (07)

Particulars	Stock P	Stock Q
Expected Return	16%	12%
Standard Deviation	15%	8%
Coefficient of Correlation	0.70	

- a) What is the covariance between Stock P and Q?
- b) What is the expected return and risk of a portfolio in which P and Q have weights of 0.3 and 0.7 respectively.

P.T.O.

Q.9

The returns of two assets under four possible states of nature are given below:

(20)

State of Nature	Probability of occurrence	Return on Asset 1 (%)	Return on Asset 2 (%)
1	0.2	-10	10
2	0.3	15	12
3	0.3	20	18
4	0.2	25	20

- What is the standard deviation of the return on Asset 1 and Asset 2?
- What is the covariance between the returns on Asset 1 and Asset 2?
- What is the coefficient of correlation between the returns on Asset 1 and Asset 2?
- If the proportion of Asset 1 is 0.40 and remaining for other than calculate the portfolio risk and return.
- Suggest the best option from Asset 1 and Asset 2 on the basis of above calculations.

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