**Code No. MB305E-F1**

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| **METHODIST COLLEGE OF ENGINEERING & TECHNOLOGY (An Autonomous Institute)**  **M.B.A III-Semester(Supplementary) Examination, Aug- 2023** |

**Subject: INVESTMANT MANAGEMENT**

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| **Time : 3 Hours** | **Max. Marks : 60** |

PART-A

Answer all questions.

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| |  |  |  | | --- | --- | --- | | Q.No. | Question(s) | Marks | | 1. | a. Explain the difference between real assets and financial assets. | 2 | |  | b. Write a brief note on Bond Indenture. | 2 | |  | c. Describe Basic Features of Common Stock.. | 2 | |  | d. Explain Markowitz portfolio theory in short. | 2 | |  | e. Write briefly usage of Jensen’s differential Index. | 2 | |
| PART-B  Answer any Five questions.   |  |  |  | | --- | --- | --- | | Q.No. | Question(s) | Marks | | 2. | Explain the investment process in detail. | 10 | | 3. | Bond A possess ®100as its par value with coupon rate 11%, which matures after 5 years from now. Its expected yield is 15%. At present it is trading at ®82. Advise whether it should be purchased or not? | 10 | | 4. | The investor wants to purchase a Wipro stock and hold it for 5 years 3.44 is expected as dividend for next 5 years continuously. He wishes to sell it at ®60 at the end of 5 year. If his required Rate of return is 10% what should be its present price | 10 | | 5. | Explain Capital Market Theory in detail. | 10 |   **P.T.O** |

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| 6. | a) Describe the features, types and mutual funds in India.  b) From the following data calculate Sharpe, Treynor Index.   |  |  |  |  | | --- | --- | --- | --- | | FUND | % OF RETUN | Ϭ | β | | A | 10 | 18 | .60 | | SENSEX | 12 | 13 | 1.00 | | T-BILL | 6 | - | -- | | 5  5 |
| 7. | a.) Explain Fundamental analysis in detail  b.) Calculate the bond duration for a bond with 7% coupon  having maturity period of 4 years. The face value is 1000,  YTM is 6% | 5  5 |
| 8. | a.) Explain about index calculation methodology.  b.) Describe CAPM. | 5  5 |
| 9. | a.) Explain CML VS SML  b.) Discuss Jenson , Treynor and Sharpe indexes | 5  5 |

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