SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR
(AUTONOMOUS)
MBA II Year I Semester Regular Examinations Nov/Dec 2019
INVESTMENT ANALYSIS AND PORTFOLIO MANAGEMENT

Time: **3 hours**   Max. Marks: **60**

SECTION – A
(Answer all Five Units **5 x 10 = 50** Marks)

UNIT-I

1   What is investment? Explain the process the investment process.   **10M**

OR

2   Distinguish between investment and speculation.   **10M**

UNIT-II

3   What is fundamental analysis? Explain the process of fundamental analysis. **10M**

OR

4   What is company analysis? Explain how financial ratios can be used to   **10M**
determine the strengths and weakness of a company.

UNIT-III

5   What is meant by the duration of the bond? Explain its significance.   **10M**

OR

6   What is interest rate risk of a bond? Explain how the risk arises.   **10M**

UNIT-IV

7   Explain the various models of common stock valuation?   **10M**

OR

8   Explain Gordon's share valuation model with suitable illustration. What are the **10M**
advantages of this model?

UNIT-V

9   Explain the following: **10M**
   i. Sharpe single index method.
   ii. Treynor-s methods

OR

10 Define Portfolio. Explain the various steps thus involved in portfolio management **10M**
process.

SECTION – B
(Compulsory Question)

Case study   **1 x 10 = 10** Marks

11. The rate of return and risk for three growths – oriented mutual funds were calculated   over
the most recent 5 years and are listed below.

Growth fund	Return	Risk (STD.Dev)
Jones	15%	16%
Packers	13%	18%
Franklin	12%	11%

Rank each fund by sharpe's index or portfolio performance if the risk-free rate is 7 percent.

*** END ***