D3ACM2304 **(2 Pages)** **Name.............................**
Reg.No..........................

THIRD SEMESTER M.Com. DEGREE EXAMINATION, NOVEMBER 2024
(Regular/Improvement/Supplementary)

COMMERCE
FMCM3E01 - INVESTMENT MANAGEMENT

Time: 3 Hours **Maximum Weightage: 30**

Part A: Answer any *four* questions. Each carries *two* weightage.

Write short notes on:

1. Systematic Risk.
2. Gambling.
3. Masala bond.
4. Coupon rate.
5. Support and resistance level.
6. Capital market line.
7. Treynors index.

(4 × 2 = 8 weightage)

Part B: Answer any *four* questions. Each carries *three* weightage.

8. Distinguish between investment and speculation.
9. What are the assumptions and considerations in technical analysis?
10. Explain the different types of portfolios.
11. Discuss Markowitz Theory.
12. Explain the performance evaluation process of an investment portfolio.
13. If coupon rate on Rs. 5000 par value bond is 7%, what is the current yield if bond market price is Rs. 3,500?
14. Calculate the expected return of the portfolio:

Company	Return in %	Proportion
A	12	0.2
B	17	0.3
C	23	0.1
D	20	0.4

(4 × 3 = 12 weightage)

(P.T.O.)

Part C: Answer any *two* questions. Each carries *five* weightage.

15. Explain the types of investment strategies.

16. What is fundamental analysis? Explain the tools used for fundamental analysis.

17. A stock costing Rs. 170 pays no dividends. The possible prices that the stock might sell for at the end of the year with respective probabilities are given below.

Price	Probability
165	0.1
170	0.1
175	0.2
180	0.3
185	0.2
190	0.1

Calculate the expected return and standard deviation of return.

18. H Ltd. has a 14 per cent bond with a face value of Rs.100 that matures at par in 15 years. The debenture is callable in five years at Rs.114. It currently sells for Rs.105. Calculate each of the following for this debenture.

i) Current yield.

ii) Yield to call.

iii) Yield to maturity.

(2 × 5 = 10 weightage)