



**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034**

**B.Com. DEGREE EXAMINATION – COMMERCE**

**FIFTH SEMESTER – APRIL 2018**

**CO 5404- INTRODUCTION TO INVESTMENT MANAGEMENT**

Date: 10-05-2018  
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

**Part – A**

**Answer All questions (10 x 2 =20)**

**Explain the following terms:**

1. Investment
2. Bonus Shares
3. Secured Bonds
4. NBFC Deposits
5. Postal Savings
6. Industry Analysis
7. Stock Market
8. Gambler
9. What is the present value of a deposit of Rs.25000 receivable after 5 years, if the rate of interest is 10% p.a.?
10. A 10% Infra-bond whose face value is Rs.10000 matures in 5 years at Rs.12000. You are required to calculate the YTM of the bond.

**Part – B**

**Answer any FOUR questions (4 x 10 =40)**

11. What are the various sources of Investment Information available to Indian investors?
12. Distinguish between Investment and Speculation.
13. How do you classify equity shares from the point of view of investment?
14. “Systematic risk affects the entire market.” Do you agree? Comment.
15. Bring out the risks involved in bond investment?
16. Why do investors add gold and silver in their portfolio? Explain.
17. A chit company promises to pay you Rs.50000 at the end of 10 years in exchange of an investment of Rs.10000 made today. Calculate the rate of interest offered.

**Part – C**

**Answer any TWO questions (2 x 20 =40)**

18. Describe the primary and secondary objectives of investment.
19. Explain the unsystematic risk involved in investment.
20. What are the merits and demerits of investment in real estate? Explain illustratively.
21. Elucidate the economy-wide factors considered in investment analysis.

XXXXXXX