LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

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

FIFTHSEMESTER – APRIL 2017

CO 5404- INTRODUCTION TO INVESTMENT MANAGEMENT

Date: 02-05-2017 Dept. No. Max. : 100 Marks
Time: 01:00-04:00

PART- A

ANSWER ALL THE QUESTIONS (10X2=20 Marks)

1. State the rule of 72 and 69 for calculating returns.
2. Why does money have time value?
3. What is annuity?
4. If you invest Rs. 5000 today at a compound interest of 9 percent, What will be its future value after 10 years?
5. What is risk free rate of return?
6. State the differences between primary and secondary market?
7. Who are the regulators for the following industry? A) Stock Market B) Insurance C) Pension funds D) Banking E) Chit funds
8. What is called coupon in Bond investing?
9. Who has issued Deep discount bonds in India?
10. Expand PFRDA, RBI, SEBI, IRDA.

PART- B

ANSWER ANY FOUR QUESTIONS (4X10=40 Marks)

11. Sangeetha borrows Rs 80,000 for a musical system at a monthly interest of 1.25 percent. The loan is to be repaid in 12 equal monthly instalments, payable at the end of each month. What is the monthly intstalment? Prepare the loan amortization schedule.
12. The market price of a Rs. 1,000 par value bond carrying a coupon rate of 14% and maturing after five years is Rs. 1,050. What is the yield to maturity on this bond?
13. Discuss the key macroeconomic variables and their impact on investment.
14. Describe the methods used in Bond and Equity valuation.
15. Outline the process of investment decisions.
16. What are the features of primary and secondary market?
17. Differentiate Investing and Speculation.

PART –C

ANSWER ANY TWO QUESTIONS (2X20=40 Marks)

18. Discuss the different avenues available to Indian investors today by comparing their risk-return relationships.

19. Explain the concept of systematic risk and unsystematic risk.

20.Discuss the factors of Sound Investment.

21. Describe various types of bonds.

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