

School of Business

Department of Business
Mid Term Examination

Exam Date: 06 Oct 2023

Time : 90 Minutes

Marks : 50

Sem IX - MBFI6012 - Investment Analysis and Portfolio Management

Your answer should be specific to the question asked

Draw neat labeled diagrams wherever necessary

- 1) Outline the relation between risk and return K2 (2)
- 2) Name and Explain 2 tax saving scheme as an investment alternative. K1 (3)
- 3) Outline the concept of unsystematic risk and how investors can mitigate this type of risk. K2 (4)
- 4) Illustrate the key factors that can significantly influence investment decisions, and how do these factors impact the risk and return profiles of various investment options?" K2 (6)
- 5) Identify the key technical concepts of resistance and support in financial markets. How do traders and investors use these concepts in technical analysis to identify potential price levels and market trends? K3 (6)
- 6) Utilize the various types of charts that technical analysts use to forecast stock future behaviour. K3 (9)
- 7) Elaborate the concept of Dow theory in analysing stock price action. K4 (8)
- 8) When analyzing the behavior of a national stock market, how do factors such as investor sentiment, economic indicators, and global events impact market trends and share prices? Examine. K4 (12)

OR

Marvin Brown is a savvy investor who is always looking for a sound company to include in his portfolio of stocks and bonds. Being somewhat risk-averse, his main objective is to buy stock in firms that are mature and well established in their respective industries. Wal-Mart is one of the stocks Marv is currently considering for inclusion in his portfolio. Wal-Mart has four major areas of business: traditional Wal-Mart discount stores, supercenters, Sam's clubs, and international operations. Although Wal-Mart was established over 50 years ago, it continues to achieve growth through expansion. The Supercenter concept, which combines groceries and general merchandise, is extreme success as were converted to Sam's stores in 1995. In addition to taking over competitor stores, Sam's also opened 22 new stores of its own. Internationally, the picture is equally as rosy. In Canada, 122 former Woolco stores were converted to Wal-Mart discount stores. Expansion has reached Mexico and Hong Kong as well, as 24 Clubs and Super centers and 3 "Value Clubs" were established, respectively. Wal-Mart plans to continue its reign as the world's largest retailer through expansion by developing the previously discussed 95 Wal-Mart discount stores, 12 new Supercenters and 9 new Sam's Clubs. Internationally, 20 to 25 new stores will be built in Hong Kong, China, 27 in Argentina, Brazil and Canada. What factors and techniques of analysis will you adopt to determine whether Wal-Mart is a "good buy" decision?