17099

BRAINWARE UNIVERSITY

Term End Examination 2025-2026
Programme – BBA-Hons-2023
Course Name – Investment Analysis and Portfolio Management
Course Code - BBA50203A
(Semester V)

Full Marks : 60 **Time : 2:30 Hours**

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group-A

(Multiple Choice Type Question) 1 x 15=15

1. *Choose the correct alternative from the following :*

(i) Define the term 'investment'.

a) Spending on entertainment
b) Allocation of funds with the expectation of returns
c) Paying utility bills
d) Daily shopping

(ii) Select a characteristic of a good investment.

a) High risk only
b) Negative returns
c) Liquidity and safety
d) Daily fluctuation

(iii) Define risk profiling.

a) Checking criminal record
b) Identifying investor’s age only
c) Assessing investor's risk tolerance
d) Evaluating taxes

(iv) Select an example of a capital market instrument.

a) Call money
b) Treasury Bills
c) Equity Shares
d) Certificate of Deposit

(v) Define Treasury Bills.

a) Long-term bonds
b) Short-term government securities
c) Equity investments
d) Corporate shares

(vi) Identify a leading economic indicator.

a) Unemployment rate
b) GDP growth
c) Stock market performance
d) Inflation data

(vii) Select the most appropriate measure of overall economic output.

a) Interest rate
b) Employment rate
c) Inflation rate
d) GDP

(viii) Identify a lagging economic indicator.

a) Stock prices
b) Building permits
c) Unemployment rate
d) Money supply

(ix) Select the best valuation method for a company with stable cash flows.

a) Discounted cash flow method | b) P/E ratio
c) Price-to-book ratio | d) EV/EBITDA

(x) Identify the relationship between GDP and stock markets.

a) Negative correlation | b) No correlation
c) Positive correlation | d) Unpredictable

(xi) Determine the core principle of Dow Theory.

a) Markets are random | b) Price reflects all information
c) Indicators move together | d) Volume does not matter

(xii) Establish the significance of a "Head and Shoulders" pattern.

a) Trend continuation | b) Bullish reversal
c) Trend reversal signal | d) Breakout pattern

(xiii) Determine what a 'flag' pattern indicates.

a) Volume reduction | b) Strong reversal
c) Brief consolidation before continuation | d) Technical failure

(xiv) Predict the impact of a break below the lower Bollinger Band.

a) Price increase | b) Price collapse
c) Oversold signal | d) High volume entry

(xv) Determine the main idea of Elliott Wave Principle.

a) Economic cycle theory | b) Investor psychology creates price patterns
c) Volume always leads | d) News causes volatility

Group-B

(Short Answer Type Questions) 3 x 5=15

2. Define investment and explain its key characteristics. (3)
3. Describe Certificates of Deposit and their benefits. (3)
4. Describe the role of economic analysis in investment decision-making. (3)
5. Determine the relevance of Dow Theory in modern technical analysis. (3)
6. Differentiate between weak-form and strong-form of market efficiency. (3)

OR

Evaluate the usefulness of the Efficient Market Hypothesis (EMH) for long-term investors. (3)

Group-C

(Long Answer Type Questions) 5 x 6=30

7. Differentiate between intrinsic value and market price of a share. (5)
8. Illustrate the concept of side-walks in price trend behavior. (5)
9. Write the importance of chart patterns in decision-making. (5)
10. Evaluate how portfolio theory contributes to modern investment management. (5)
11. Illustrate how asset allocation influences risk-return characteristics of a portfolio. (5)
12. Evaluate how Markowitz Model helps in portfolio diversification. (5)

OR

Summarize the purpose of corner portfolios in portfolio optimization. (5)

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