

**MASTER OF BUSINESS ADMINISTRATION  
(MBAEV)**

**Term-End Examination  
December, 2013**

**MCNE-045 : WEALTH MANAGEMENT**

*Time : 3 hours*

*Maximum Marks : 100*

**Note :** *Attempt any five questions.*

*All questions carry equal marks.*

1. State the need and functions of a wealth manager. 20  
Why is 'wealth management' becoming more attractive to investors day-by-day? Are there any qualifications of a wealth manager?
2. What is the need for 'financial planning' by an individual? Do firms and corporates also need to undertake such an activity? What does financial planning entail? Can it be long term only? 20
3. "Financial scams and frauds compel investors to manage funds themselves". Elaborate this statement with a few examples. Does such scams hinder the wealth management business? 20
4. Should a fund manager/wealth manager invest all his funds in an option which he believes would provide maximum returns? Give reasons for your answer. What is the role of 'hedging' and 'diversification' in this context? 20

5. Specify the differences between 'marketing of financial products' and 'marketing of consumer goods'. Why is it difficult to market financial products than to market consumer goods? Suggest ways to market effectively banking products in India. 20
6. "The success of a wealth manager depends to a large extent on his behavioural skills and his understanding of investor psychology". Elaborate this statement to highlight behavioural skills that a wealth manager should possess. Can such skills be acquired by him through a book-reading? 20
7. How would you measure the performance of a portfolio? What problems would you encounter in this process and how would you solve these? 20
8. Write short notes on *any two* of the following : 20
- (a) Ethical principles relevant to wealth management.
  - (b) Mutual funds.
  - (c) Systematic investment plans.
  - (d) Wealth management process.
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