

**MASTER OF BUSINESS ADMINISTRATION  
(MBACT)**

00173

**Term-End Examination  
December, 2012**

**MCTE-035 : INVESTMENT ANALYSIS**

*Time : 3 hours*

*Maximum Marks : 100*

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*Note : Attempt any five questions.*

*All questions carry equal marks.*

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1. What are Money Market and Capital Market ?  
Distinguish between them.
2. Describe the maturity and cash flow characteristics of common stock, preferred stock and corporate debt securities. Rank these securities in terms of the uncertainty of their future cash flow.
3. Describe the type of information and discuss its utility for investment analysis provided by the following financial statement :
  - (a) Profit and loss A/C
  - (b) Cash flows statement
4. What should be the basic objectives of 'financial reporting' ? Explain with reasons.

5. What is risk free security and risk premium? How can risk of a security can be calculated? Explain your answer with the help of an example.
  6. What is 'market efficiency' ? Discuss the various forms of market efficiency.
  7. Explain the CAPM theory and its validity in the stock market.
  8. Explain the unique features of real estate investment. Discuss the approaches used to estimate the market value of investment properties.
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