

BBA**(SEM.IV) BBA-F010403T(A):
INVESTMENT ANALYSIS & PORTFOLIO MANAGEMENT****REVISED QUESTIONS ANSWERS**

Questions	Answers
EXAMINATION –(2022-23)	
2. An investor invests in assets known as _____. (A) Securities (B) Block of assets (C) Portfolio (D) None of the above	(C) Portfolio
4. _____ is based on tips, rumors and hunches, unplanned and without knowledge of the exact nature of risk. (A) Investment (B) Speculation (C) Gambling (D) Arbitrage	(C) Gambling
MODEL PAPER – I	
Q.36.Savings accounts are _____ but are not _____. (a) negotiable; liquid. (b) marketable; liquid. (c) liquid; personal. (d) liquid; marketable.	(d) liquid; marketable.
Q.39.The coupon rate is another name for the _____. (a) market interest rate. (b) current yield. (c) stated interest rate. (d) yield to maturity.	(c) stated interest rate
Q.40.Dividends are paid _____. (a) Monthly (b) quarterly (c) semi-annually (d) yearly.	(b) quarterly.

Q.41.If an investor states that Intel is overvalued at 65 times, he is referring to _____. (a) earnings per share. (b) dividend yield. (c) book value. (d) p/e ratio.	(d) p/e ratio.
Q.44. In order to avoid paying income taxes, an investment company must _____. (a) be classified as a non-profit organization. (b) invest only in municipal bonds. (c) pass on interest, dividends, and capital gains to the stockholders. (d) be registered as a closed-end investment company.	(c) pass on interest, dividends, and capital gains to the stockholders.
Q.45.The most popular type of investment company is a _____. (a) unit investment trust. (b) mutual fund. (c) closed-end investment company. (d) real estate investment trust.	(a) mutual funds.
Q.59. The largest single institutional owner of common stocks is _____. (a) mutual funds. (b) insurance companies. (c) pension funds. (d) commercial banks.	(a) mutual funds.
Q.65.The _____ is stated on the basis of 1.0. (a) total return. (b) return relative. (c) cumulative wealth index. (d) geometric mean.	(c) cumulative wealth index.

Q.75. Company-specific risk is also known as _____.	(d) idiosyncratic risk
(a) market risk.	
(b) systematic risk.	
(c) non-diversifiable risk.	
(d) idiosyncratic risk	
MODEL PAPER – II	
Q.31. All new issues being offered for public sale are registered with _____.	(a) SEBI
(a) SEBI.	
(b) new issue market.	
(c) Maloney act of 1936.	
(d) securities investor protection act of 1970.	
Q.49. If a firm increases its plowback ratio, this will probably result in _____ P/E ratio.	(a) Higher
(a) Higher	
(b) Lower	
(c) Unchanged	
(d) Can't be determined	
MODEL PAPER – III	
Q.100. Bonds rated double A and higher are called:	(d) investment grade bonds
(a) speculative grade bonds.	
(b) supreme bonds.	
(c) high-grade bonds.	
(d) investment grade bonds	