

Case 6: Development of an investment strategy

The Financial Success company plans to develop a new investment strategy to attract new investors. They look at different strategies such as active management, passive management and buy and hold strategy.

Questions:

1. What are the advantages and limitations associated with each of these investment strategies?
2. What factors should be considered when choosing the optimal investment strategy for the Financial Success company?
3. How can a company manage the risks of its investment strategy?