



**NATIONAL OPEN UNIVERSITY OF NIGERIA
14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS
SCHOOL OF MANAGEMENT SCIENCES
OCTOBER 2013 EXAMINATION**

COURSE CODE: ENT 332

CREDIT UNIT: 2

COURSE TITLE : INVESTMENT MANAGEMENT ANALYSIS II

TIME ALLOWED: 2 HRS

- **Instructions:** 1. Attempt question Number one (1) and any other two
(2) questions.
2. Question number 1 carries 30 marks, while the other questions carry 20 marks each
3. Present all your points in coherent and orderly manner

QUESTION 1:

a) What are Corporate Bonds?

b) Explain what you understand by the following:

- i. Callable bonds
- ii. Bond Indenture
- iii. Floating rate bond
- iv. Reverse floating rate bond
- v. Debenture bond
- vi. Secured bond

c) Discuss the five determinants of ratios used to evaluate Bond safety known to you

QUESTION 2:

a) What are common stocks also known as equity securities?

b) What is the objective of common stock evaluation?

c) Explain the factors that affect the price of a company's ordinary share
(common stock)

QUESTION 3:

a) Discuss the five major components of a financial statement

b) What are the objectives of financial reporting?

QUESTION 4:

a) What is Portfolio management and what are the objectives?

b) Discuss the conflict between risk and return in investment practice

QUESTION 5:

- a) What are the roles of investment bankers in primary (new) issues in the market?
- b) List and discuss four types of instruments traded in the money market?