



NATIONAL OPEN UNIVERSITY OF NIGERIA
14-16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS
SCHOOL OF MANAGEMENT SCIENCES
SEPTEMBER/OCTOBER 2015 EXAMINATION

COURSE CODE: ENT331 **CREDIT UNIT:** 2
COURSE TITLE: INVESTMENT MANAGEMENT ANALYSIS I
TIME ALLOWED: 2 HOURS
INSTRUCTIONS: 1. Attempt question number one (1) and any other (2) questions.
2. Question number 1 carries 30 marks, while the other two (2) questions carry 20 marks each.
3. Present all your points in coherent and orderly manner.

QUESTION 1

- a) Write short notes on the following terms used in investment;
- i. Diversifiable Risk
 - ii. Over the counter market
 - iii. Option Exchange
 - iv. Security Analysis
 - v. Fixed Income Securities
 - vi. Investment Value
 - vii. Indirect Investment
 - viii. Futures Exchange
 - ix. Market Value
 - x. Tangibles
- b) Explain five (5) economic variables that can significantly affect the level of interest rates?
- c) Explain the following in Security Analysis:
- (i) Economic Analysis
 - (ii) Industry Analysis
 - (iii) Fundamental Analysis

QUESTION 2

- a) Explain the three (3) basic types of financial futures?
- b) Explain the attractions and drawbacks of mutual fund ownership?

QUESTION 3

- a) Why do investors invest in bonds? Explain
- b) There are certain internal and external characteristics of an investment that affect its level of return, explain four (4) of each of the characteristics.

QUESTION 4

- a) Explain three (3) types of call features that are issued with a bond.
- b) Discuss the roles of key players in a mutual fund?

QUESTION 5

- a) Bonds are exposed to five (5) major types of risks. Explain
- b) List and explain the various classes of income?