



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

Course Code: ENT331

Credit Unit: 2

Course Title: INVESTMENT MANAGEMENT ANALYSIS I

Time Allowed: 2 hours

Instruction:

Attempt question five and any two questions of your choice. Question Five carries 30 marks while the others carry 20 marks each. Present your answer legibly and logically.

QUESTION 1

- (I) what is investment and list the participant of investment process.(5marks)
- (II) Explain the meaning of Institutional investor. (5marks)
- (III)What is Short-Term investment Instruments and give 5 examples of such instrument. (10marks)

QUESTION 2

- (I)Mention the two types of security markets we have and briefly explain them. (7marks)
- (II)List and explain the types of capital market we have(7marks)
- (III)List and explain the classes of income we have.(6marks)

QUESTION 3

Give a detailed explanation of the following terms use in investment:

- (I)Bonds (5marks)
- (II)Preferred stock (5marks)
- (III)Convertible Securities (5marks)
- (IV)Tangibles(5marks)

QUESTION 4

- (I) Briefly explain the concept of Return. (5marks)
- (II) List and explain the key factors affecting level of return. (7.5marks)
- (III) Explain briefly the relationship between the return and the risk of an Investment. (7.5marks)

QUESTION 5

Briefly distinguish Diversifiable and Non- diversifiable risk(10marks). Explain the following:

- (I) Event Risk (5marks)
- (II) Liquidity Risk(5marks)
- (III) Finance Risk(5marks)
- (IV) Interest Rate Risk(5marks)