



## GIET UNIVERSITY, GUNUPUR – 765022

M. B. A (Third Semester) Examinations, February – 2023

### 21MBAFM23004 – Financial Analytics

Time: 3 hrs

Maximum: 60 Marks

(The figures in the right hand margin indicate marks.)

#### PART – A

(2 x 10 = 20 Marks)

Q.1. Answer *ALL* questions

	CO #	Blooms Level
a. Write a short note on Financial Analytics.	1	1
b. Write a short note on Financial Returns.	1	1
c. Write a short note on Securities Datasets and Visualization.	2	1
d. What is Securities Quoting?	2	1
e. How would you elaborate the concept of Stationary Time Series?	3	1
f. What is Auto-Regressive Moving Average Processes?	3	1
g. How would you elaborate the concept of Markov Regime Switching Model?	4	1
h. Write a short note on Bayesian Reasoning.	4	1
i. List out the major players in FOREX market.	5	4
j. List out popular Momentum Indicators.	5	4

#### PART – B

(8 x 5 = 40 Marks)

Answer *ALL* questions

	Marks	CO #	Blooms Level
2. a. The following table is related to six months' closing prices of Coal India Ltd. from July 01 to December 31.	8	1	4

	July 01-Aug 31	Sep 01-Oct 31	Nov 01-Dec 31
Mean	206.80	231.06	232.23
Standard Error	2.34	1.41	1.49
Median	207.15	231.60	229.75
Mode	#N/A	229.85	232.15
Standard Deviation	15.01	9.04	9.78
Sample Variance	225.29	81.72	95.59
Kurtosis	-1.12	0.002	0.25
Skewness	-0.04	-0.77	1.01
Range	53.10	35.15	40.75
Minimum	181.70	210.80	215.05
Maximum	234.80	245.95	255.80
Sum	8479.00	9473.40	9985.90
Count	41	41	43

Examine the above descriptive statistics table carefully and explain each and every measure in detail.

(OR)

b. Calculate cost of equity from the following data and interpret the result.	8	1	5
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Stocks	S1	S2	S3	S4	S5	S6	S7	S8	S9	S10
Beta	0.65	0.55	0.50	0.45	0.60	0.75	0.60	0.35	0.25	0.10
R <sub>f</sub> rate (%)	5	7	6	8	4	5	6	8	2	4
E <sub>r</sub> (%)	3	4	5	6	7	8	9	10	11	12

3.a. Briefly discuss about various types of Bonds with suitable examples. 8 2 2

(OR)

b. Critically examine the Housing Crisis and how it is effect on the economy? 8 2 4

4.a. How do you examining Time Series and illustrate the one-lag and two-lag process of time series model? 8 3 4

(OR)

b. Explain the concept of Power Transformations and how do you illustrate this for analysing company financials? 8 3 5

5.a. From the following data calculate Log Returns under two cases: 8 4 5

Case 1: Time Additive but not Portfolio Additive

Case 2: Portfolio Additive but not Time Additive

Asset	Period 1	Period 2	Period 3
Stock 1	115.50	125.00	130.25
Stock 2	150.00	165.25	180.15
Stock 3	120.50	110.15	130.85
Stock 4	75.00	88.40	90.20
Stock 5	95.65	102.15	100.00
Portfolio	556.65	590.95	631.45

(OR)

b. The following table represents Market Data of ICIC Bank Ltd. 8 4 4

Open	882.00	52 Week Low	642.15
Previous Close	870.35	TTM EPS	42.49
Volume	1,68,82,379	TTM PE	20.52
Value (Lacs)	1,47,163.70	P/B	3.80
VWAP	873.36	Face Value	2
Beta	1.01	Market Cap (Rs. Cr.)	6,08,274
High	883.30	Dividend Yield	0.57
Low	864.60	20D Avg Volume	1,08,68,610
UC Limit	957.35	20D Avg Delivery (%)	67
LC Limit	783.35	Sector PE	26.49
52 Week High	958.20	Book Value Per Share	229.94

Examine the above table carefully and how you interpret the each market data point in detail.

6.a. Stanford Inc. of UK has exported goods worth Can GBP 550,000 receivable in 10 months. The exporter wants to hedge the receipt in the forward market. The following information is available: Spot Exchange Rate INR 100.70/GBP Interest Rate in UK is 1.85% and Interest Rate In Indian 7% The forward rates truly reflect the interest rates differential. Find out the gain/loss to UK exporter if Indian ` spot rates (i) declines 2.65%, (ii) gains 7.25% or (iii) remains unchanged over next 6 months. 8 5 5

(OR)

b. Briefly explain about types and players of FOREX Market. 8 5 2

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