

## Solution for IAT – 1 : INVESTMENT MANAGEMENT

1. Earning income + Capital Appreciation
2. Investment
3. Speculation
4. Only Capital appreciation
5. Investment
6. Non Financial Investments
7. 110%
8. Only risk
9. Portfolio execution
10. Liquidity
11. Historical return
12. 11.11%
13. Holding period or total return
14. 1.10
15. Expected Return
16. Return A = 4.6% Return B = 2%
17. Risk A = 0.875 risk B = 1.79%
18. Security A
19. Diversification
20. Non Diversifiable risk
21. 2.59%
22. 10.74%
23. Covariance
24. Return of 2 securities in opposite direction
25. There is no relationship between 2 securities