



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**PLOT 91, CADASTRAL ZONE, NNAMDI AZIKIWE EXPRESSWAY, JABI, ABUJA**  
**FACULTY OF MANAGEMENT SCIENCES**  
**2021\_2 EXAMINATION**

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**COURSE CODE:** BFN 721 **CREDIT UNIT: 2**  
**COURSE TITLE:** INVESTMENT ANALYSIS AND PORTFOLIO MANAGEMENT  
**TIME ALLOWED:** 2Hours  
**INSTRUCTIONS:** 1. Attempt Question Number FOUR (4) and any other two (2).  
2. Question Number FOUR is compulsory and carries 30 marks, while the other questions carry 20 marks each  
3. Present all your points in coherent and orderly manner

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**Question One**

- a) Enumerate the composition of the Securities and Exchange Commission (SEC)
  - b) Briefly mention how Securities and Exchange Commission protects investing public
- (20 Marks)**

**Question Two**

Briefly explain the following terms:

- i. Bankers Acceptance **(7.5 Marks)**
- ii. Commercial Paper **(7.5 Marks)**
- iii. Treasury Bills **(5 Marks)**

**Question Three**

Enumerate the operators and regulators in the Nigerian capital market

**(20 Marks)**

**Question Four**

Ilele is considering allocating his portfolio funds to the following securities

Security	Weight	Beta
X	10%	0.90
Y	25%	0.75
Z	30%	1.30
L	15%	1.50

If the risk free rate is 15% and the return on the market portfolio is 20%, calculate the following:

- i Portfolio Beta
- ii Expected Return on Ilele's portfolio

**(30 Marks)**