

Lecture 1. Introduction to the Subject

What is a state investment?

State Investment means any state grants, tax exemptions, tax refunds, tax credits, or other state incentives provided to a business under a program administered by the governments.

What are 4 types of investments?

- ❖ Bonds
- ❖ Stocks
- ❖ Mutual Funds
- ❖ Exchange-Traded Funds

What are the factors affecting the investment process?

- ❖ Income per Capita. The first factor affecting investment is national income per capita
- ❖ Trends
- ❖ Political situation and Security
- ❖ Industrial and Economic Situation
- ❖ Condition of Available Facilities and Infrastructure

What is the importance of investment management process?

Why is investment management important for individuals and businesses? Investment management helps people protect their hard-earned money from being eroded with time due to extravagance uses. It also helps grow money over a certain period of time in order to meet people's financial needs.

What are the 2 concept of investment?

An investment is an asset or item acquired with the goal of generating income or appreciation. Appreciation refers to an increase in the value of an asset over time. When an individual purchases a good as an investment, the intent is not to consume the good but rather to use it in the future to create wealth.

What is investment decision process?

Investment decision It relates to as how the funds of a firm are to be invested into different assets, so that the firm is able to earn highest possible return for the investors. Investment decision can be long-term, also known as capital budgeting where the funds are committed into long-term basis.

What are the common errors in the investment management process?

The worst mistakes are failing to set up a long-term plan, allowing emotion and fear to influence your decisions, and not diversifying a portfolio. Other mistakes include falling in love with a stock for the wrong reasons and trying to time the market.

What are the 3 factors of investment consideration?

There are three key factors that determine which investment strategy is right for you

- ❖ Risk tolerance
- ❖ Expected returns
- ❖ Effort required to implement the strategy

What are the principles of investment policy?

Safety, liquidity, purpose, profitability are some of the principles that must be followed to mitigate risks like loss and fraudulency.