

Course Code	Course Title	C	H	I	E	T
17P3KMC11	Security Analysis and Portfolio Management	4	75	25	75	100

Learning objectives

- To gain knowledge of investments and investment alternatives
- To develop ability to value the securities by fundamental and technical analysis
- To understand the concept of derivatives and ability to construct and evaluate the portfolio

Learning Outcomes: Advanced knowledge on investment management. Skill towards fundamental and technical analysis. Understanding of derivatives market and portfolio management and evaluation

Unit-I Introduction

Nature and scope – Meaning – Objectives of investment – Factors favorable for investment – Features of an Investment Programme – Investment process – Investment opportunities – Investment media – Investment Alternatives – Bonds, Preference Shares and Equity shares – Risk and Returns – Systematic Risk, Unsystematic Risk – Measurement of returns – Traditional Technique, Modern Technique

Unit-II Security Valuation

Security Valuation – Basic Valuation Models – Bonds – Preference Shares – Common Stock. – Dividend concept, Earnings concept – Efficient Market Theory – Efficient Market Hypothesis – Empirical Analysis – Random Walk Model – Recent Trends

Unit – III Fundamental and Technical Analysis

Fundamental analysis – Industrial analysis – Company analysis – Economy analysis – Technical analysis – Timing in investment – Tools of technical analysis – Market movements – Moving average analysis – Dow Theory – Recent Trends

Unit – IV Derivatives

Meaning – Classification – Commodity Derivatives – Financial Derivatives – Basic Derivatives – Complex Derivatives – Exchange Traded Derivatives – OTC Derivatives – Characteristic of Derivatives – Participants in Derivatives Market - Forwards – Futures – Options – Swaps – Derivative Markets in India

Unit V: Portfolio Management & Evaluation

Introduction – Time value of money application to portfolio management – MPT and Dominance concept – SEBI guidelines for portfolio managers and portfolio management service – Importance of Beta – Capital Market Theory – Capital Asset Pricing Model – Security Market Line – Arbitrage Pricing Theory – Recent Trends.

Portfolio evaluation – Need and the Process of evaluation. Portfolio Revision – The formula plan – Rupee Cost Averaging – Constant Rupee Value – The constant ratio and variable ratio plans.

Books for Study

Preethi Singh. *Investment Management*. Mumbai: Himalaya Publishing House, 2014. Print.

Books for Reference

1. Avadhani V.A. *Securities Analysis & Portfolio Management*. Himalaya Publishing House, 2013, Mumbai.
2. Pandian Punithavathy - *Security Analysis And Portfolio Management*, Vikas Publishing House.
3. Lee, Cheng F. *Advances in Investment Analysis and Portfolio Management*. Science & Technology Books.
4. Bhalla V.K. *Investment Management*. Sultan Chand & Co., New Delhi
5. www.investopedia.com, www.sebi.gov.in