

BA3T6F - Security Analysis and Portfolio Management (Elective-I)

- Unit 1- Investments:** The investment environment- Classification of financial markets and instruments- Securities trading – Types of orders- Margin trading- Clearing and settlement procedures- Regularity systems for equity markets.
- Unit 2- Portfolio Risk and Bond Analysis:** Concept of Risk- measuring risk and returns- Portfolio Risk – types - Measurement and diversification of risk- Mean variance approach; Portfolio Selection: Traditional portfolio selection - Markowitz portfolio model – Sharpe's single index model, Capital asset pricing model (CAPM), Arbitrage pricing theory.
- Unit 3- Bond & Equity Valuation:** Bond pricing theorems, Convexity, Duration, Bond immunization, Active bond management and passive bond management; Equity valuation models: Discounted cash-flow techniques - Balance sheet valuation- Dividend discount models - Intrinsic value and market price- earnings multiplier approach- P/E ratio - Price/ book value - Price/sales ratio, Economic value added (EVA).
- Unit 4- Security Analysis & Capital Market Theory:** Macroeconomic- Industry and company analysis- Concept of intrinsic value- Efficient market hypothesis. Objectives and beliefs of fundamental analysts- Theory of technical analysis.
- Unit 5- Active Portfolio Management:** Mutual funds - Growth of mutual funds in India- Structure- Performance evaluation of mutual funds- conventional theory-Performance measurement with changing portfolio composition.

Relevant cases have to be discussed in each unit.

Text books:

1. Bhalla. V.K. "Investment Management: Security Analysis and Portfolio Management", Sultan Chand, New Delhi.
2. Prasanna Chandra, "Investment analysis and portfolio management", Second Edition, Tata McGraw Hill.

Reference books

1. Bhat S, "Security Analysis & Portfolio Management", Excel Books.
2. Fischer, Donald E. and Ronald J. Jordan, "Security Analysis and Portfolio Management", Prentice Hall of India, New Delhi
3. Kevin S. "Security Analysis and Portfolio Management", prentice hall of India
4. Punithavathy pandian, "Security Analysis and Portfolio Management", Vikas
5. Sharpe, William, F. G. Alexander, F. Bailey, and W. C. Sharpe, "Investments", New Delhi, Prentice Hall of India.