

SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

III Semester: MBA								
Course Code	Category	Hours / Week			Credits	Maximum Marks		
		L	T	P		C	CIA	SEE
CMB404	Skill	3	0	-	3	30	70	100
		Practical Classes: Nil			Total Classes: 45			
<p>OBJECTIVES:</p> <p>The course should enable the students to:</p> <ol style="list-style-type: none"> I. Enrich the knowledge of investment alternatives, process and portfolio management. II. Develop an understanding of the changing domestic and global investment scenario in general and Indian capital market in particular with reference to availability of various financial products and operations of stock exchanges. III. Provide an in-depth knowledge of the theory and practice of portfolio management. Important theories, techniques, regulations and certain advancements in theory of investment. IV. Familiarize the participants with the stock markets of India, its terminology, types of securities, the determinants of the price behavior of securities, evaluation of fair price, and to provide a conceptual insight to the valuation of securities. <p>COURSE OUTCOMES(COs):</p> <ol style="list-style-type: none"> 1. Understand the investment environment in India, overview of Indian financial system securities trading in stock markets and investment alternatives. 2. Explain the investment management process and security analysis like fundamental analysis, technical analysis and efficient market hypothesis. 3. Recognize the significance of risk and return relationship from investing Markowitz portfolio theory and mean variance approach. 4. Know the risk and returns from investing Markowitz portfolio theory and portfolio selection. 5. Express the single index model, capital asset pricing model and arbitrage pricing theory. 6. Analyze different types of bonds, interest rates, term structure of interest rates and measuring bond yields. 7. Demonstrate bond pricing theorems, bond duration, active and passive bond management strategies, bond volatility and bond immunization. 8. Examine the concepts of equity analysis, equity valuation, balance sheet analysis, intrinsic value and market price. 9. Identify the overview of derivative markets, option markets, strategies, forward and future marketing strategies and design swaps. 10. Recognize different types of mutual fund schemes, structure, net asset value, risk and return. 11. Improve performance evaluation models like Sharpe model, trey nor model, Jensen model, fame's decomposition and identify the trends in Indian mutual funds. 								
UNIT-I	INVESTMENT AND SECURITY ANALYSIS						Classes: 05	
Investment environment in India, overview of Indian financial system securities trading in stock markets, investment alternatives, the investment management process, Security analysis: fundamental analysis, technical analysis, efficient market hypothesis.								
UNIT-II	PORTFOLIO ANALYSIS						Classes: 10	
The returns and risks from investing Markowitz portfolio theory, mean variance approach, portfolio selection-efficient portfolios, and the single index model capital asset pricing model, arbitrage pricing theory.								
UNIT-III	BOND ANALYSIS AND VALUATION AND MANAGEMENT						Classes: 12	
Types of bonds, interest rates, term structure of interest rates, measuring bond yields, yield to maturity, yield to call, yield to maturity, holding period return, Bond pricing theorems, bond duration, active and passive bond management strategies, bond immunization, bond volatility, bond convexity.								
UNIT-IV	EQUITY VALUATION AND DERIVATIVES						Classes: 10	
Equity analysis & valuation, balance sheet analysis equity valuation models, intrinsic value & market price, the p/e ratio & earnings multiplier approach, price/book value, price/ sales ratio, economic value added , overview of derivatives markets, option markets, option strategies and option valuation forward & future markets, strategies. A stock index future, interest rate futures, swaps contracts.								

UNIT-V	MUTUAL FUNDS	Classes: 12
Types of mutual funds schemes, structure, net asset value, risk and return, performance evaluation models Sharpe model, trey nor model, Jensen model, fame's decomposition. Trends in Indian mutual funds.		
Text books		
<ol style="list-style-type: none"> 1. William. Sharpe, Gordon j Alexander and Jeffery V Bailey, "Fundamentals of Investments", Prentice Hall, 2012. 2. Reilly, Brown, "Analysis of Investment and Management of Portfolios", Cengage, 10th Edition, 2012. 3. Prasanna Chandra, "Investment analysis and Portfolio Management", TMH, 4th Edition, 2012. 		
Reference books		
<ol style="list-style-type: none"> 1. Donald E Fischer, Ronald J Jordan," Security Analysis and Portfolio Management", 6th Edition, 2012 2. M. Ranganatham, R. Madhumathi, "Security Analysis and Portfolio Management", 2nd Edition, 2011 		
Web References		
<ol style="list-style-type: none"> 1. https://www.open.edu/openlearn/money-business/mutual-funds/content-section---references 2. https://lsc.libguides.com/c.php?g=436550&p=2976238 3. https://www.researchgate.net/publication/327767641_IT_in_mutual_funds_Textbooks 		
E-Text Books		
<ol style="list-style-type: none"> 1. http://www.freebookcentre.net/Business/Mutual-Funds-Books.html 2. https://bookboon.com/en/Mutual-Funds-eBooks 3. https://www.amazon.in/Dictionary-Mutual-funds-Oxford-Quick-Reference/dp/0199563055 		