

## SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

III Semester: MBA														
Course Code	Category	Hours / Week			Credits	Maximum Marks								
		L	T	P	C	CIA	SEE	Total						
CMBC35	Elective	4	-	-	4	30	70	100						
		<b>Contact Classes: 45</b>		<b>Tutorial Classes: Nil</b>		<b>Practical Classes: Nil</b>		<b>Total Classes: 45</b>						
<p><b>I. COURSE OVERVIEW:</b>            This course aims to provide an insight into evaluation and analysis of a wide range of financial securities and thereby developing techniques for designing an optimal portfolio. The main emphasis of the course is to impart an understanding of the methods and techniques of risk quantification, security valuation, fundamental analysis, and technical analysis required for security selection for designing an optimal portfolio.</p> <p><b>II. COURSE OBJECTIVES:</b>  <b>The students will try to learn:</b></p> <ol style="list-style-type: none"> <li>I. About the stock markets of India for valuation of securities.</li> <li>II. Investment alternatives, process and portfolio management in an organization.</li> <li>III. The bond analysis and bond management strategies.</li> <li>IV. The equity valuation and derivatives theory and practice of portfolio management.</li> <li>V. Schemes and structures of mutual funds and its trends.</li> </ol> <p><b>III. COURSE OUTCOMES:</b>  <b>After successful completion of the course, students will be able to:</b></p> <ul style="list-style-type: none"> <li><b>CO 1:</b> Narrate the investment environment in India, overview of Indian financial system, securities trading in stock markets and investment alternatives.</li> <li><b>CO 2:</b> Describe the investment management process and security analysis like fundamental analysis, technical analysis and efficient market hypothesis.</li> <li><b>CO 3:</b> Evaluate the significance of risk and return relationship from Markowitz portfolio theory and mean variance approach.</li> <li><b>CO 4:</b> Illustrate the conceptual framework for analysis from an investor's perspective of managing risk and return on investment for portfolio selection.</li> <li><b>CO 5:</b> Analyze different types of bonds, interest rates and measuring bond yields in the real world.</li> <li><b>CO 6:</b> Demonstrate bond pricing theorems, bond duration, active and passive bond management strategies, bond volatility and bond immunization.</li> <li><b>CO 7:</b> Examine the concepts of equity analysis, equity valuation, balance sheet analysis, intrinsic value and market price.</li> <li><b>CO 8:</b> Summarize the overview of derivative markets, option markets, strategies, forward and future marketing strategies and design swaps.</li> <li><b>CO 9:</b> Demonstrate the different types of mutual fund schemes, structure, net asset value, risk and return.</li> <li><b>CO 10:</b> Assess the trends in Indian mutual funds and measure their performances through various evaluation models.</li> </ul> <p><b>IV. SYLLABUS</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;"><b>UNIT-I</b></td> <td style="width: 70%;"><b>INVESTMENT AND SECURITY ANALYSIS</b></td> <td style="width: 15%;"><b>Classes: 09</b></td> </tr> <tr> <td colspan="3">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.</td> </tr> </table>									<b>UNIT-I</b>	<b>INVESTMENT AND SECURITY ANALYSIS</b>	<b>Classes: 09</b>	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.		
<b>UNIT-I</b>	<b>INVESTMENT AND SECURITY ANALYSIS</b>	<b>Classes: 09</b>												
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.														

<b>UNIT-II</b>	<b>PORTFOLIO ANALYSIS</b>	<b>Classes: 08</b>
The returns and risks from investing Markowitz portfolio theory, mean variance approach, portfolio selection, efficient portfolios, the single index model capital asset pricing model, arbitrage pricing theory.		
<b>UNIT-III</b>	<b>BOND ANALYSIS AND VALUATION AND MANAGEMENT</b>	<b>Classes: 10</b>
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.		
<b>UNIT-IV</b>	<b>EQUITY VALUATION AND DERIVATIVES</b>	<b>Classes: 08</b>
Equity analysis and valuation, balance sheet analysis equity valuation models, intrinsic value and market price, the p/e ratio and earnings multiplier approach, price/book value, price/ sales ratio, economic value added , overview of derivatives markets, option markets, option strategies and option valuation forward and future markets, strategies, stock index future, interest rate futures, swaps contracts.		
<b>UNIT-V</b>	<b>MUTUAL FUNDS</b>	<b>Classes: 10</b>
Types of mutual funds schemes, structure, net asset value, risk and return, performance evaluation models Sharpe model, treynor model, Jensen model, fama's decomposition. Trends in Indian mutual funds.		
<b>Text Books:</b>		
<ol style="list-style-type: none"> <li>1. Donald E. Fischer, Ronald J. Jordan &amp; A K Pradhan, "Security Analysis and Portfolio Management", Pearson Education, 7<sup>th</sup> Edition, 2018.</li> <li>2. Prasanna Chandra, "Investment Analysis and Portfolio Management", McGraw Hill India, 5<sup>th</sup> Edition, 2017.</li> <li>3. Charles P. Jones, "Investments Principles and Concepts", Wiley India Edition. 12<sup>th</sup> Edition, 2016.</li> <li>4. Shalini Talwar, "Security Analysis and Portfolio Management", Cengage Learning, 2016.</li> <li>5. V.K. Bhalla, "Investment Management", S.Chand Publications, 17<sup>th</sup> Edition, 2016.</li> <li>6. William. Sharpe, Gordon J Alexander and Jeffery V Bailey, "Fundamentals of Investments", Prentice Hall, 2<sup>nd</sup> Edition, 2012.</li> <li>7. Reilly, Brown, "Analysis of Investment and Management of Portfolios", Cengage, 1<sup>st</sup> Edition, 2012.</li> </ol>		
<b>Reference Books:</b>		
<ol style="list-style-type: none"> <li>1. ZVI Bodie, Alex Kane, Alan J Marcus, "Investments", TMH, 3<sup>rd</sup> Edition, 2012.</li> <li>2. Donald E Fischer, Ronald J Jordan, " Security Analysis and Portfolio Management", 6<sup>th</sup> Edition, 2012.</li> <li>3. Prasanna Chandra, "Investment Analysis and Portfolio Management", TMH, 4<sup>th</sup> Edition, 2012.</li> <li>4. Punithavathi Pandian, "Security Analysis and Portfolio Management", Vikas Publishing House, 2<sup>nd</sup> Edition, 2012.</li> <li>5. M. Ranganatham, R. Madhumathi, "Security Analysis and Portfolio Management", 2<sup>nd</sup> Edition, 2012.</li> </ol>		
<b>Web References:</b>		
<ol style="list-style-type: none"> <li>1. <a href="http://164.100.133.129:81/econtent/Uploads/Security_Analysis_&amp;_Portfolio_Management.pdf">http://164.100.133.129:81/econtent/Uploads/Security_Analysis_&amp;_Portfolio_Management.pdf</a></li> <li>2. <a href="http://www.ucipfg.com/Repositorio/MATI/MATI-08/BLOQUE-ACADEMICO/Unidad-4/lecturas/4.pdf">http://www.ucipfg.com/Repositorio/MATI/MATI-08/BLOQUE-ACADEMICO/Unidad-4/lecturas/4.pdf</a></li> </ol>		
<b>E-Text Books:</b>		
<ol style="list-style-type: none"> <li>1. <a href="http://www.ddegjust.ac.in/studymaterial/mba/fm-304.pdf">http://www.ddegjust.ac.in/studymaterial/mba/fm-304.pdf</a></li> <li>2. <a href="https://www.amazon.in/Security-Analysis-Portfolio-Management-Kevin-ebook/dp/B00K7YGOZ4">https://www.amazon.in/Security-Analysis-Portfolio-Management-Kevin-ebook/dp/B00K7YGOZ4</a></li> </ol>		