

Teaching Lesson Plan 2019-20 (Based on OBE)

Program: M.Com IB

Course Name: SECURITY ANALYSIS & PORTFOLIO MANAGEMENT

Course Code: P415 IB 402:

Semester: IV Lecture hours: 50

Faculty in-charge: Dr. R. Himachalopathy

Course Outcome No.	Course Outcomes	T level Indicator
CO1.	Illustrate the steps involved in investment management process from the perspectives of financial advisor of client.	T3
CO2.	Calculate the Risk and return of each avenue of investment (financial Assets) for construction of portfolios.	T4
CO3.	Conduct Fundamental Analysis, Technical analysis and Efficient Market Hypothesis analysis to decide whether to buy or sell or hold financial asset.	T6
CO4.	Examine the profile of each avenues of investment of capital and Money market instruments	T4
CO5.	Use derivatives for speculation and hedging the risks of stock in futures and options market	T3
CO6.	Construct optimum portfolio by using Markowitz's efficient portfolios and Sharpe single index Model	T6

Module No. & Topics Covered	CO No.	No. of Lecture Hours	Pre-Class Activity	Instructional techniques	Assessment	T Level Indicator
Module 1: Introduction to Securities & Investment - Concept,	CO1			Lecture and Interactive	Questions & Answers	T3

<p>Investment Vs. Speculation, Arbitrage, Gambling, Investment Objective, Investment Process, Investment Constraints, Investment Strategy, Selection of Securities, Buying, Selling, & Holding Decisions & Strategies, Market Indices, Credit Rating Agencies - Process and Functions.</p>		6		<p>session</p> <p>Demonstrate</p> <p>Intra -day trading in BSE and NSE</p> <p>BSE – BOLT</p> <p>NSE - NEAT</p> <p>Demonstrate Arbitrage in both nifty and Sensex 30</p> <p>In moneycontrol .com/terminal</p>		
<p>Module 2: Risk & Return- Expected Return, Historical Return, Systematic & Unsystematic Risk, Beta Coefficient, CAPM, SML & CML, Factor Model & Arbitrage Pricing Theory.</p>	CO2	10	Case study	<p>Lecturing and interactive session</p> <p>Illustration and computation</p> <p>Demonstrate Arbitrage in both nifty and Sensex 30</p> <p>In moneycontrol .com/terminal</p> <p>BSE – BOLT</p> <p>NSE - NEAT</p>	Case study analysis and discussion	T4

Module 3: Security Analysis - Fundamental Analysis, Economic Analysis, Economic Forecasting, Indicators, Industry Analysis, Classification Schemes, Industry Life Cycle, Company Analysis, Measuring Earnings, Forecasting Earnings, Technical Analysis, Charting, Different Tools for Technical Analysis, Efficient Market COHypothesis.	CO3	12		Lecturing and Interactive session Illustration and computation Analysis and interpretation	Case study analysis with live financials	T6
Module 4: Financial Instruments - Corporate Bonds, Government Bonds, Special Bonds, Bond Returns, Bond Management Strategy, Equity Shares, Dividend Policy, Money Market Instruments, ADRs, GDRs and Recent Innovative Instruments.	CO4	4		Lecturing and Interactive session Illustration and computation Analysis and interpretation		T4
Module 5: Derivatives - Financial Derivative Markets, Global Perspectives, Indian Context, Options - Types, Pricing, Models, Futures, Kinds of Futures, Swaps, Warrants & Convertibles, Valuation & Analysis of Derivatives, Hedging and Speculation.	CO5	8		Lecturing and Interactive session Illustration and computation	Assignment of illustrations	T3

				Analysis and interpretation		
Module 6: Portfolio Analysis & Management - Risk & Return, Markowitz Model, Risk Return Optimization, Sharpe Portfolio Optimization, Portfolio Investment Process, Investment Timing & Evaluation, Portfolio Revision, Mutual Funds , Managed Portfolio & Performance.	CO6	10		Lecturing and Interactive session Illustration and computation Analysis and interpretation	Assignment on illustrations Case study analysis	T6

Continuous Internal Assessment –

- Power point presentation in class on the given topic.
- Case Study
- Test
- Role Play
- MCQs

Approved by:

P415 IB 402: SECURITY ANALYSIS & PORTFOLIO MANAGEMENT

COURSE OBJECTIVES::

The students will be able to

1. Illustrate the steps involved in investment management process from the perspectives of financial advisor of client.
2. Calculate the Risk and return of each avenue of investment (financial Assets) for construction of portfolios.
3. Conduct Fundamental Analysis, Technical analysis and Efficient Market Hypothesis analysis to decide whether to buy or sell or hold financial asset.

4. Examine the profile of each avenues of investment of capital and Money market instruments
5. Use derivatives for speculation and hedging the risks of stock in futures and options market
6. Construct optimum portfolio by using Markowitz's efficient portfolios and Sharpe single index Model.

Module 1:

Introduction to Securities & Investment - Concept, Investment Vs. Speculation, Arbitrage, Gambling, Investment Objective, Investment Process, Investment Constraints, Investment Strategy, Selection of Securities, Buying, Selling, & Holding Decisions & Strategies, Market Indices, Credit Rating & Agencies, Credit Rating & their Functions, Work & Operations.

Module 2:

Risk & Return - Expected Return, Historical Return, Systematic & Unsystematic Risk, Beta Coefficient, CAPM, SML & CML, Factor Model & Arbitrage Pricing Theory.

Module 3:

Security Analysis - Fundamental Analysis, Economic Analysis, Economic Forecasting, Indicators, Industry Analysis, Classification Schemes, Industry Life Cycle, Company Analysis, Measuring Earnings, Forecasting Earnings, Technical Analysis, Charting, Different Tools for Technical Analysis, Efficient Market Hypothesis.

Module 4:

Financial Instruments - Corporate Bonds, Government Bonds, Special Bonds, Bond Returns & Systematic Risk, Unsystematic Risk, Bond Management Strategy, Preference Shares, Valuation Analysis, Equity Shares, Dividend Policy, Equity Valuation & Analysis, Money Market Instruments.

Module 5:

Derivatives - Financial Derivative Markets, Global Perspectives, Indian Context, Options, Types Pricing, Valuation & Analysis, Option Models, Futures, Kinds of Futures, Hedging, Speculation, Swaps, Warrants & Convertibles.

Module 6:

Portfolio Analysis & Management - Risk & Return, Markowitz Model, Risk Return Optimization, Sharpe Portfolio Optimization, Portfolio Investment Process, Investment Timing & Evaluation, Portfolio Revision, Mutual Funds, Managed Portfolio & Performance.

COURSE OUTCOMES:

After completion of the course the students will be able to

1. Illustrate the steps involved in investment management process from the perspectives of financial advisor of client.
2. Calculate the Risk and return of each avenue of investment (financial Assets) for construction of portfolios.
3. Conduct Fundamental Analysis, Technical analysis and Efficient Market Hypothesis analysis to decide whether to buy or sell or hold financial asset.
4. Examine the profile of each avenues of investment of capital and Money market instruments
5. Use derivatives for speculation and hedging the risks of stock in futures and options market
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BOOKS FOR REFERENCE:

1. *Avadhani. V. A.: Security Analysis & Portfolio Management, Himalaya Publishing House.*
2. *Bhalla. V. K.: Investment Management, S. Chand*
3. *Fischer & Jordan: Security Analysis & Portfolio Management, Prentice Hall.*
4. *Prasanna Chandra: Investment Analysis & Portfolio Management, Tata McGraw Hill.*