

# Security Analysis & Portfolio Management

## Module – I

Investment: Meaning and Concept, Investment Alternatives, Routes to Investment in Common Stocks. Mutual Funds: Organization of Mutual Funds, Functioning and regulatory aspects, Types of Mutual Fund Schemes, Measuring performance of Mutual Funds, Risk and Return Analysis, Systematic Risk and Unsystematic Risk, Risk Measurement through Beta and Standard Deviation.

## Module – II

Approaches to Security (equity) Analysis: Fundamental Analysis: Stages of Fundamental Analysis. Economy Analysis- key variables; Industry Analysis: Life Cycle of Industry; Structure and Characteristics of an Industry, Profit Potential of industries, Company Analysis: Analysis of Quantitative and Qualitative factors, financial analysis of a company. Estimation of intrinsic value: Dividend Capitalization Approach and Price Earnings Multiplier Approach. Theory of Efficient Market Hypothesis (Random Walk Theory).

## Module – III

Technical Analysis. Basic Premises of Technical Analysis. Charting Techniques: Line, Bar, Candlestick, Point & Figure Charts, Oscillators, Technical Indicators of overall market: Market Breadth, Moving Averages. Theories of Technical Analysis: Dow Theory; Elliot Wave Theory; Fibonacci Puzzle Theory; Kondratev Business Cycle Theory. Stock Market Indices: Construction.

## Module – IV

Portfolio Management: Introduction, Portfolio Management Process:-Formulation of portfolio Strategy, Selection of securities, Portfolio Performance Evaluation, Portfolio Theories- Markovitz Approach and Sharpe's Single index model and CAPM model.

### Suggested Readings:

1. Chandra, Prasanna, *Investment Analysis and Portfolio Management* Tata McGraw Hill Publishing House, New Delhi 2010
2. Bhalla, V.K, *Investment Analysis and Portfolio Management* Himalaya Publishing House 2008
3. Ritu Ahuja, *Security Analysis and Portfolio Management* 2007.

4. Reilly, Frank K. Brown, Keith C. *Investment Analysis and Portfolio Management*, 8<sup>th</sup> edition, OH, USA: Thompson South-Western 2006
5. Alexandra, Sharpe and Sharpe, *Fundamentals of Investment Prentice Hall of India*, Private Ltd., New Delhi 2008
6. Fisher and Jordon, *Security Analysis and Portfolio Management*, Prentice Hall of India, Private Ltd., New Delhi 2010
7. Maggin, John L., Tuttle, Donald L., McLeavy, Dennis W., and Pinto, Gerald E. *Managing Investment Portfolio: A Dynamic Process*, 3<sup>rd</sup> Edition, Virginia, USA: CFA institute 2007.

**Journals:**

1. Finance India
2. Journal of Portfolio Management
3. Review of Quantitative Finance