

Course No.: 404 SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT
(SAPM XVI)

Marks: 80

Hours: 40

Objective: The objective of this course is to acquaint the students with the basics of Security analysis and portfolio management.

Course Contents:

- UNIT-I:** Investments: Meaning, process, and alternatives; Valuation of fixed, variable and convertible securities; Measurement of risk and return; Systematic and unsystematic risk; Sources and measurement; Fundamentals and technical analysis. Market Efficiency in various forms. 20 : 10 hrs
- UNIT-II:** Portfolio Analysis & Management: Traditional portfolio analysis; Effects of combining securities; Diversification; Markowitz model; location of the efficiency frontier. 20 : 10 hrs
- UNIT-III:** Capital asset Pricing: Capital Asset pricing model – assumptions, capital market line, security market line, market model; Arbitrage pricing theory and factor models – factor models and return generating process, one and two factor model. 20: 10 hrs
- UNIT-IV:** Portfolio Performance, Measurement, & Evaluation: Measurement of portfolio performance –Risk and return; Risk adjustment and performance measures – Sharpe, Treynor, and Jensen models; Components of portfolio investment performance –Stock selection and market timing. 20 : 10 hrs

Text and Reference Books :

1. Fischer: Security Analysis and Portfolio Management, Pearson, New Delhi.
2. Ranganathan: Security Analysis and Portfolio Management, Pearson, New Delhi.
3. Van Horne J.C: Fundamentals of Financial Management; Prentice Hall of India, New Delhi.
4. Prasanna Chandra: Financial Management Theory and Practice; Tata McGraw Hill, New Delhi.
5. Pandey I.M.: Financial Management: Vikas Publishing House, New Delhi.
6. Bhalla V.K.: Modern Working Capital Management, Anmol Pub, Delhi.