

**ELECTIVE COURSE – III:
SECURITY ANALYSIS & PORTFOLIO MANAGEMENT**

OBJECTIVE:

This course provides (a) an understanding of the conceptual framework underlying Security Analysis & Portfolio Management and (b) an appreciation of the regulatory and tax framework circumscribing investment in securities; and (c) some insights into the operations of the Indian Stock Market.

UNIT – I

Valuation of Bonds: Measures of Yield, Duration & Convexity, Measures of Risk, Determinants of Interest Rates and Theories on Term Structure, Bond Swaps.

UNIT – II

Derivative Securities: Equity Options: Concept, Applications & Valuation, Economic Analysis, Industry Analysis.

UNIT – III

Valuation of Equity Stocks: Approaches of Equity Stock Valuation, Index features, concept, applications and valuation.

UNIT – IV

Valuation of Equity Stocks: Company Analysis, Technical Analysis, Efficient Markets Hypothesis.

UNIT – V

Portfolio Management – The Conceptual Framework: Modern Portfolio Theory, Portfolio Management, Performance Evaluation of Portfolio, Applications of Options & Futures in Portfolio Management.

Suggested Reading:

1. 'Investment Management' by V.K.Bhalls
2. 'Management of Investment' by Francis
3. 'Security Analysis and Portfolio Management' by Fisher and Jordan.