Masters of Business Administration (MBA) – Semester - 3
Course Teaching Plan

Course Title: Security analysis and Portfolio Management (SAPM)
Course Code: 240032301
Course Credit: 4

1. Course Introduction:

Investment Analysis and Portfolio Management is a growing field in the area of finance. This course aims at creating a better understanding of the various concepts/principles related to investment analysis and portfolio management. This course provides a broad overview of investment management, focusing on the application of finance theory to the issue faced by portfolio managers and investors in general and to provide conceptual foundation for the purpose of undertaking Investment analysis for securities as well as portfolios. Investment industry requires the professionally qualified manpower abled with analytical skills. The course can serve a step forward for the MBA graduates who want to make career in finance and investment industry with varied opportunities.

The course will help in building a strong foundation as each unit of the program is prepared on the basis of Industries' fundamentals. The syllabus not only focuses on theoretical points but also emphasize on technical and practical aspects of investment sector which are generally missed in traditional courses.

2. Course Objectives:

• To acquaint the students with the working of security market and principles of security analysis; and
• To develop the skills required for portfolio management so as to be able to judge the competitive position of firms in capital market and review the related business decisions.

3. Course Learning Outcomes:

CLO1: **Identify** various investment avenues available in the securities market for Investment

CLO 2: **Identify and Evaluate** risk and return of securities and **application** of Portfolio theories

CLO 3: **Demonstrate** how to **apply** the valuation techniques for different securities and bonds

CLO 4: Critically **apply** fundamental and technical analysis for equity investment

CLO 5: **Demonstrate** how to **construct**, **evaluate** and revise the portfolio

4. **CLO –PO Mapping Matrix**

	PO1	PO2	PO3	PO4	PO5
CLO1	3	3	2	2	-
CLO2	3	3	2	2	1
CLO3	3	3	3	1	-
CLO4	3	3	3	3	1
CLO5	3	3	3	3	2

Correlation levels: 3= 'High', 2= 'Medium', 1= 'Low' and '-' = No correlation

5. **Course Contents and Session Plan (40 Hours):**

Session No	Syllabus Content
UNIT 1: Introduction to Investments and markets	
Sessions 1 - 2	Basic Concepts and Definitions
	Investment, Meaning, Characteristics, Objectives, Investment V/s Speculation, Investment V/s Gambling and Types of Investors.
	Portfolio management process
	Qualities of Successful Investing
Sessions 3 - 4	Investment Alternatives
	Various Investment alternatives and their evaluation: Real Assets and Financial Assets
Sessions 5 - 7	Security Market Overview
	Participants of the Security Market
	Primary Equity Market
	Secondary Equity Market
	Trading Mechanism
UNIT 2: Risk-Return and Portfolio Theory	

Sessions 8 - 11	Risk and Return
	1) Historical return
	2) Expected return and risk measurement
	3) Risk free Assets, risky assets, allocation
Sessions 12 -16	Portfolio Theories
	1) Diversification
	2) Portfolio return and risk
	3) Feasible Set of Portfolios
	4) Selection of Optimal Portfolio
	5) Markowitz Model
	6) Single Index Model
Sessions 17 - 19	CAPM – Fundamental Notions of Portfolio Theory
	Capital Market Line
	Security Market Line
	Arbitrage Pricing Theory (APT)
UNIT 3: Security Analysis	
Session 20	Random Walk Theory
	The Efficient Market Hypothesis
	Forms of Market Efficiency Competitive Market Hypothesis
Sessions 21 - 23	Equity valuation
	Dividend Discount Model
	Free Cash Flow Model
	Earnings Multiplier Approach
Sessions 24 - 33	Security Analysis
	Fundamental Analysis:
	Economy Analysis - Macro Factors
	Industry Analysis - Industry Life Cycle, Industry
	Characteristics
	Company Analysis - Analysis of Financial Statements, Ratio Analysis
	Technical Analysis:
	Dow Theory
	Meaning and Principles of Technical Analysis, Chart types and Patterns
	Support and Resistance levels
	Elliot Wave Theory

	Mathematical Indicators – Moving Averages and Relative Strength Index
UNIT 4: Portfolio Performance Evaluation	
Sessions 34 - 35	Portfolio Management & Measurement
	Portfolio execution
	Portfolio Strategies
	Performance Evaluation
Sessions 36 - 40	Fixed Income Securities
	Bond Valuation
	Bond Yield
	Bond Management Strategies
	Passive Strategies
	Immunisation
	Active Strategies

6. Assessment Scheme:

Specific assessment method	% Weightage	Theory	Practical
Exam	50%	√	√
Class Participation	10%	√	
Class Assignments and	20%	√	√
Class Activities	20	√	√

7. Educational Resources

Educational Resources	Description
i. Text Book	Chandra, P., Investment Analysis and

		Portfolio Management (IA & PM), McGraw-Hill, New Delhi
ii.	**Reference Book**	1. Bodie, Z., Kane, A., Marcus, A.J., Investments, McGraw-Hill Education 2. Reilly, F.K., and Brown, K.C., Investment Analysis and Portfolio Management, South Western, Cengage Learning. 3. Donald, F., Ronald, J., and Pradhan, A.K., Security Analysis and Portfolio Management, Pearson Publication.
iii.	**Newspaper/Journals/ Magazine/periodicals**	Finance Newspapers 1. Economic Times 2. Business Times 3. DNA 4. Blue- Chip 5. Smart 6. Chankya Journals 1. The Journal of Portfolio Management 2. International Journal of Portfolio Analysis and Management Magazines 1. Dalal Street 2. Capital Market 3. Business Today
iv.	**Course related important Web links**	1. www.nseindia.com 2. www.bseindia.com 3. www.sebi.gov.in 4. www.moneycontrol.com
v.	**Movies Suggested**	1. The Scam 1992 Web series (2020) 2. The Big Bull (2021) 3. Margin Call (2011) 4. Money Monster (2016)
vi.	**Stock Application**	1. Moneycontrol App 2. Economic Times App 3. CNBC App 4. Stock Edge App 5. BSE India App