

Course title: Security Analysis & Portfolio Management				
Course code: PPM 126	No. of credits: 2	L-T-P distribution: 28-0-0	Learning hours: 28	
Pre-requisite course code and title (if any):				
Department: Department of Business & Sustainability				
Course coordinator(s): Dr. Swati Dhawan		Course instructor(s): Dr. Swati Dhawan		
Contact details: swatisl@yahoo.com				
Course type: Elective		Course offered in:		
Course description Security Analysis and Portfolio Management concerns itself with investment in financial assets with specific attention to the returns and risk associated with investing in securities. The subject is aimed at providing insight to the various analytical techniques used in evaluation of the various investment opportunities. The course also provides of extension of these concepts to the portfolio of securities and the concept of diversification, management of a portfolio.				
Course objectives The objective of this course is to familiarize the participants with the stock markets of India, its terminology, types of securities, the determinants of the price behaviour of securities, evaluation of fair price, and to provide a conceptual insight to the valuation of securities.				
Pedagogy As the subject is of practical utility and significance, the course would be conducted in an interactive manner. The participants are encouraged and advised to ask practical questions. To stimulate the thought process the participants are requested to read any financial newspaper daily and present/seek views on the subject/article of their interest. However, the conceptual framework of the subject shall be covered adequately through lectures/slides.				
Course contents				
Module	Topic	L	T	P
1	Introduction to Equity Markets and Securities, Investment Attributes, Types of Securities, Functions of Stock Market, Chapters 1-3	2	0	0
2	Securitisation Process, Benefits Chapters 1-3	2	0	0
3	Index Construction and Changes Chapters 1-3	2	0	0
4	Approaches to Valuation of Securities, Valuation Models: <ul style="list-style-type: none"> • Constant Dividend Model, • Constant Dividend Growth Model, • Effect of Dividend Policy on valuation Chapters 5-6 Chapter 11	2	0	0
5	Fundamental Analysis Cash Flow Valuation Relative Valuation Chapters 13 – 15	2	0	0
6	Effects of Combining Securities, Portfolio Theory and Markowitz Diversification Simple Diversification	2	0	0
7	Capital Asset Pricing Model; <ul style="list-style-type: none"> • Assumptions • Derivation 	4	0	0

	Applications Chapter 8			
8	Efficient Market Hypothesis <ul style="list-style-type: none"> Weak, Semi Strong, and Strong Tests for EMH Chapter 9	2	0	0
9	Arbitrage Pricing Model Chapter 8	2	0	0
10	Design of Optimal Portfolio Sharpe Optimisation Model Chapters 7 & 16	2	0	0
11	Bonds Valuation and Bond Portfolio Management Chapters 12-13	2	0	0
12	Technical Analysis	4	0	0
		28	0	0
Evaluation criteria <ul style="list-style-type: none"> 2 Class Tests of ½ Hour of 10 marks each at the end of 8, 22 hours 20 Mid Term Test after 14 hours 20 Assignment (Valuation of IPO) 20 Last date: At the end of 26 hours Final Examination 40 				
References: Security Analysis and Portfolio Management By Fisher & Jordon (Prentice Hall, EEE) Investments By Kane, Bodie And Marcus (Tata McGraw Hill) Investment Analysis and Portfolio Management, Frank Reilley and Keith Brown (Thompson)				
Additional information (if any) Text Investment Analysis & Portfolio Management Prasanna Chandra, Tata McGraw Hill				
Student responsibilities				