FINM694:INVESTMENT ANALYSIS AND PORTFOLIO MANAGEMENT

L:3 T:1 P:0 Credits:3

Course Outcomes: Through this course students should be able to

CO1 :: evaluate various concepts and principles related to investment analysis and portfolio management

CO2 :: assess assess the characteristics of different Investment alternatives to trade in the stock market

CO3 :: demonstrate the power of diversification to optimize portfolios returns while minimizing the risk

CO4 :: construct an optimum portfolio minimizing the risk and maximizing the profits

CO5 :: compare and contrast various portfolio management theories

CO6 :: analyze critically the usage of derivative instruments in investment portfolio

Unit I

Objectives of investment decisions : meaning of investment, investment objectives, types of Investors, constraints, liquidity and taxation aspects, goals of investors

Unit II

Financial markets : primary market, secondary market, financial Instruments

Unit III

Capital market efficiency : market efficiency, weak-form market efficiency, semi-strong market efficiency, strong market efficiency

Unit IV

Financial analysis and valuation : analysis of financial statements, financial ratios, fundamental analysis, technical analysis, challenges in technical analysis

Unit V

Modern portfolio theory : portfolio management, Markowitz diversification, portfolio risk and return, CAPM and APT

Unit VI

Valuation of derivatives and investment Management : meaning of derivative market, forward and futures, call and put, option pricing, classification of funds, Sharpe ratio, Treynor ratio, Jensen ratio

Text Books:

1. INVESTMENT ANALYSIS AND PORTFOLIO MANAGEMENT by PRASANNA CHANDRA, MC GRAW HILL

References:

1. INVESTMENT ANALYSIS & PORTFOLIO MANAGEMENT MODULE by Y NATIONAL STOCK EXCHANGE, NATIONAL STOCK EXCHANGE
2. SECURITY ANALYSIS AND PORTFOLIO MANAGEMNT by SHALINI TALWAR, CENGAGE LEARNING