

GUJARAT TECHNOLOGICAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION (Part-Time)

Year II (Semester: –IV) (W.E.F. Academic Year 2018-19)

Specialization: Financial Management

Subject Name: Security Analysis & Portfolio Management (SAPM)

Subject Code: 3549923

Subject Credits: 3

Total Marks: 150

1. Learning Outcomes:

- Acquainting students with the Risk return process of investment
- Familiarising students with the practical applications of Capital markets
- Developing the skills for the portfolio constructions, revision, evaluation and investment advisory.

2. **Course Duration:** The course duration is of **36 sessions of 75 minutes** each.

3. Course Contents:

| Module No. | Modules with its Contents/Chapters | No. of Sessions | Marks (out of 70) |
|------------|--|-----------------|-------------------|
| I | Introduction to Investment Introduction, Investment vs. Speculation, Investment vs. Gambling, Investment Objectives, Investment Attributes, Investment Process, Security Analysis vs. Portfolio Management, Portfolio Management Process; Meaning and Types of Returns Holding Period return— Expected return – Annualized return – measurement of return. Risk – Types of Risk – Measurement of Risk. | 9 | 18 |
| II | Security analysis and valuation Fundamental Analysis: Economic, Industry and Company Analysis, Forecasting earnings, Valuation: DDMs for Valuation of Equities & Valuation on the basis of P/E & EPS. Efficient Market Hypothesis, Different Forms of EMH and their Empirical Tests, Technical Analysis: Charting Tools, Market Indicators, Dow Theory, Elliot Wave Theory, Random Walk Theory, Introduction to Behavioral Finance | 9 | 17 |
| III | Selection / Construction of Securities by applying theories: Markowitz Model, Constructing an Optimal portfolio using, Sharpe's Single Index Model, Capital Market Theory: Efficient Frontier, CML, SML, Capital Asset Pricing Model, Arbitrage Pricing Theory. | 9 | 18 |
| IV | Portfolio Management & Measurement: Portfolio execution, Portfolio Revision and Performance Evaluation. | 9 | |

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|---|--|-----|----------------|
| | Bonds & Valuation: Bond prices & Yields, types of bonds, Duration of Bonds, Bond Management Strategies, Analysis of Bonds | | 17 |
| V | Practical: <ul style="list-style-type: none"> • EIC analysis of any selected Industry/ Company. • Application of Valuation on Equity and bonds for its selection • Application of CAPM theory. • Creating a portfolio using Sharpe Portfolio Selection. • Portfolio evaluation Mutual Fund Schemes. . . .etc • Movie based learning: Wall street & Rogue Trader, Inside Job, Big Short, Wolf of Wall Street etc. | --- | (30 Marks CEC) |

4. Teaching Methods:

The course will use the following pedagogical tools:

- (a) Class Lectures, Discussions, solution of examples & learning from various cases
- (b) Learning and Application from various movies and construction and evaluation of portfolio on weekly basis
- (c) Discussion on articles and news from Economic times, blogs and other websites on daily basis

5. Evaluation:

The evaluation of participants will be on continuous basis comprising of the following elements:

| | | |
|----------|---|---------------------------------|
| A | Continuous Evaluation Component comprising of Projects / Assignments / Quiz / Class Participation / Class test / Presentation on specific topic etc | (Internal Assessment- 50 Marks) |
| B | Mid-Semester examination | (Internal Assessment-30 Marks) |
| C | End –Semester Examination | (External Assessment-70 Marks) |

6. Reference Books:

| Sr. No. | Author | Name of the Book | Publisher | Year of Publication |
|---------|------------------|--|------------------|---------------------|
| 1 | Prasanna Chandra | Investment Analysis & Portfolio Management | McGraw Hill | Latest Edition |
| 2 | Fisher & Jordan | Security Analysis & Portfolio Management | Pearson | Latest Edition |
| 3 | P. Pandian | Security Analysis & Portfolio Management | Vikas Publishing | Latest Edition |
| 4 | S. Kevin | Security Analysis & Portfolio Management | PHI learning | Latest Edition |
| 5 | Reilly/Brown, | Investment Analysis and Behaviour | McGraw Hill | Latest Edition |

Note: Wherever the standard books are not available for the topic appropriate print and online resources, journals and books published by different authors may be prescribed.

7. List of Journals / Periodicals / Magazines / Newspapers, etc.

1. Economic Times
2. Journal of Economic Times
3. Business Standard
4. Reports of RBI, SEBI etc.