

BBA III Year	BBA-E503/603		Semester-V/VI		
	Investment Analysis And Portfolio Management				
Time Allotted for End Semester Examination	Marks Allotted for Internal Assessment	Marks Allotted for End Semester Examination (ESE)	Maximum Marks (MM)	Total Credits	Maximum Hours
3 Hrs.	30 (20+10)	70	100	06	60

OBJECTIVE: The aim of this course is to provide a conceptual framework for analysis from an investor's perspective of maximizing return on investment – a sound theoretical base with examples and references related to the Indian financial system.

- Basics of risk and return: concept of returns, application of standard deviation, coefficient of variation, beta, alpha. Bonds: present value of a bond, yield to maturity, yield to call, yield to put, systematic risk, price risk, interest rate risk, default risk. Yield curve and theories regarding shape of yield curve. Unsystematic risk and non-risk factors that influence yields. Duration and modified duration, immunization of a bond portfolio. **(12 Hours)**
- Fundamental analysis: EIC framework; Economic analysis: Leading lagging & coincident macro-economic indicators, Expected direction of movement of stock prices with macroeconomic variables in the Indian context; Industry analysis: stages of life cycle, Porter's five forces model, SWOT analysis, financial analysis of an industry; Company analysis. **(12 Hour)**
- Share valuation: Dividend discount models- no growth, constant growth, two stage growth model, multiple stages; Relative valuation models using P/E ratio, book value to market value. Price indicators- Dow theory, advances and declines, new highs and lows- circuit filters. Volume indicators- Dow Theory, small investor volumes. Other indicators- futures, institutional activity. **(18 Hours)**
- Capital asset pricing model (CAPM): Efficient frontier with a combination of risky and risk free assets. Assumptions of single period classical CAPM model. Characteristic line, Capital Market Line, Security Market Line. Expected return, required return, overvalued and undervalued assets. Mutual Funds: Introduction, calculation of Net Asset Value (NAV) of a Fund, classification of mutual fund schemes by Structure and objective, advantages and disadvantages of investing through mutual funds. **(18hours)**

SUGGESTED READINGS:

1. Fischer, D.E. & Jordan, R.J. (1995). *Security Analysis & Portfolio Management*. New Delhi: Pearson Education.
2. Reilly, Frank K. & Brown, Keith C. (2009). *Investment Analysis and Portfolio Management*. India: Cenage India Pvt. Ltd.
3. Sharpe, W.F., Alexander, G.J. & Bailey, J.(1993). *Fundamentals of Investments*. New Delhi: Prentice Hall of India.
4. Singh, R. (2009). *Security Analysis & Portfolio Management*. India: Excel Books. Case Study:5. Agrawal, A., Joshi, M., Ansari, N., Tyagi, S. and Agrawal, V. (2018).
Case Study: Agrawal, A., Joshi, M., Ansari, N., Tyagi, S. and Agrawal, V. (2018).
Case Study In Management: The Indian Context. Delhi: Misha Books

NOTE: The list of cases, specific references and books including recent articles will be announced in the class by concerned teachers from time to time.