

INTERNATIONAL MANAGEMENT INSTITUTE, BHUBANESWAR  
Post Graduate Diploma in Management (PGDM)  
Security Analysis and Portfolio Management (FN604)  
CREDIT: Full (three credits)  
SESSION DURATION: 90 Minutes

TERM: V  
YEAR: 2016-2018  
BATCH: II

FACULTY: Dr. Ansuman Chatterjee  
Cell No.: +91- 9686678117  
E-Mail: [ansuman@imibh.edu.in](mailto:ansuman@imibh.edu.in)  
**Office hours: 9:30 AM – 5:30 PM**

**Course Introduction:**

This course attempts to describe for individual investors, the emotional framework and analytical tools that are essential to financial success in stock markets. The course aims at developing an investment attitude and prepares students for careers in the areas of finance and investment. Students would find this course to be important as its applications can be seen while understanding the financial markets.

**Course Objectives:**

- To provide students with a conceptual and analytical framework of evaluating a security.
- To provide students with working knowledge framework of different financial instruments, their risk and returns and their usefulness while constructing portfolios.
- To familiarize students with portfolio construction and management techniques and strategies.
- To appreciate the ethical and social dimensions of financial markets and portfolio management.

**Course Pedagogy:**

The course would be based on the classroom lectures and spreadsheet modeling intended to create a student centric experiential learning.

**Course Readings (Essential):**

1. Reilly. & Brown. (2013). *Investment analysis & portfolio management* (10<sup>th</sup> ed.). New Delhi: CENGAGE Learning
2. Chandra, Prasanna. (2008). *Investment analysis and portfolio management*. New Delhi: Tata McGraw – Hill Publications.

### Course Readings (Reference):

1. Fischer., & Jordan., *Security analysis and portfolio management*. Prentice Hall Publications.
2. Bhalla, V. K., *Investment management*, S. Chand & Co Publications.
3. Kevin S. (2008). *Security Analysis & Portfolio Management*, New Delhi: PHI Learning Pvt Ltd Publications.
4. Bodie., Kane., Mohanty., *Investments* (6<sup>th</sup> ed.). Tata McGraw Hill Publications.
5. Brealey., & Myers., *Principles of corporate finance* (7<sup>th</sup> ed.). Tata McGraw Hill Publications.

### Course Evaluation criteria (%):

Quizzes (2)	15
Project	20
Presentation & Viva	15
Class Participation	10
End-term Exam	40
Total	100

### Session Plan:

Session No.	Topic	Chapter in text book & other references
<b>Part I - Security Analysis</b>		
1	Introduction to the Course	
2	Overview of Indian Securities Markets: Equity & Debt Market	Ch 1 & 2 of PC
	Investment Process	Ch 1 & 2 of R&B (Also refer Appendix B of Reilly & Brown)
3 & 4	Bond Valuation	Ch 17 & 18 of R&B and Ch 11 & 12 of PC
5, 6 & 7	Equity Valuation	Ch 14 of R&B and Ch 13 of PC
	- Cash Flow Based Valuation	<a href="http://www.nseindia.com/content/corporate/eq_research_reports.htm">http://www.nseindia.com/content/corporate/eq_research_reports.htm</a>
	- Asset Based Valuation	
	- Relative Valuation	<a href="http://www.bseindia.com/sensex/research.aspx">http://www.bseindia.com/sensex/research.aspx</a>
8, 9 & 10	Economic Analysis	Ch 12 of R&B and Ch 14 of PC
	Industry Analysis	Ch 13 of R&B
	Company Analysis	Ch 14 of R&B and Ch 15 of PC <a href="http://pages.stern.nyu.edu/~adamodar/">http://pages.stern.nyu.edu/~adamodar/</a>
11& 12	Efficient Market Hypothesis	Ch 6 of R&B and Ch 9 of PC
	Technical Analysis	Ch 16 of R&B and Ch 16 of PC

		<a href="http://stockcharts.com/">http://stockcharts.com/</a>
<b>Part II - Portfolio Management</b>		
13 & 14	Introduction to Portfolio Management	Ch 7 of R&B and Ch 7 & 8 of PC
	Risk and Return concepts, CAPM, SML, CML	
	Markowitz Portfolio Theory	Ch 7 of R&B and Ch 7 of PC
	Modern Portfolio Theory	Ch 8 of R&B
	Portfolio Risk & Return measurement	
15	Arbitrage Portfolio Theory	Ch 9 of R&B and Ch 8 of P
16 & 17	Portfolio Strategies	Ch 15 of R&B and Ch 21 of PC
18	Portfolio Performance Measurement- Jensons Alpha, Treynor Measure & Sharpe Ratio	Ch 25 of R&B and Ch 21 of PC
19 & 20	Summary Discussion, Student Presentations-Viva	