

# INVESTMENT ANALYSIS & PORTFOLIO MANAGEMENT

<b>Name of the Instructors</b>	<b>Prof. S. Basu</b>
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## Course Objectives:

The objective of this course is to introduce the intuition and concepts of Investment analysis and portfolio management. Two broad decisions have been taken by any investors: allocation of the total investment in available asset classes and how to select the assets within asset classes for investment. The decision of allocation and selection of investment assets is based on the trade-off between risk and return, availability of the risk mitigating tools and investment horizon with other parameters. The aim of the course is to provide the theoretical underpinning of the subject with the implications in the real world. The course will help the participants in developing skills required to conduct assessment of current issues covered by media and specialized journals.

## Session Plan:

Session	Description	Readings
Session 1-2	Introduction to Investment Environment & Market Microstructure	Ch 1 to 4
Session 3 to 6	Portfolio Theory and Practice 1. The Capital Asset Pricing Model 2. Arbitrage Pricing Theory 3. Empirical Evidence on Security Returns 4. The Efficient Market Hypothesis	Ch 9 to 13
Session 7-10	Security Analysis 1. Macroeconomic and Industry Analysis 2. Equity Valuation Models 3. Financial Statement Analysis	Ch 17-19
Session 11	4. Technical Analysis	
Session 12	Case 1: Dimensional Fund Advisors	HBS: 9-212-068
Session 13-17	Applied Portfolio Management 1. Portfolio Performance Evaluation 2. International Diversification 3. Hedge Funds Active Portfolio Management	Ch 24-27
Session 18	Case 2: Leland O'Brien Rubinstein Associates, Inc.: Portfolio Insurance	HBS: 9-294-061
Session 19-20	Project Discussion/Presentation	

### *Recommended Text:*

“Investments” Tenth or latest edition (SIE)-Bodie, Kane, Marcus & Mohanty, Mc Graw Hill, Education (India), 2015

### *Evaluation Method*

Quiz (2 nos.)	20%
Group Assignment	30%
End-term	50%

After evaluation all of the above components but before grading, the total marks obtained by a student will be rounded up to the nearest integer. For this purpose any fraction greater than equal to 0.5 will be rounded up next higher integer. For example, 5.5 will be rounded up to 6 while 5.4 will be restated as 5.