

**SARDAR PATEL UNIVERSITY**  
**Programme: BCOM**  
**Semester: V**  
**Syllabus with effect from : JUNE 2013**

<b>Paper Code:</b> UB05ECOM14	<b>Total Credit: 3</b>
<b>Title Of Paper:</b> Investment Analysis and Portfolio Management	

Unit	Description in detail	Weighting (%)
<b>1</b>	<p><b>CONCEPTUAL FRAMEWORK AND RISK &amp; RETURN ANALYSIS (Theory- 50% and Examples- 50%)</b></p> <p><b>Conceptual Framework:</b>            Concepts of Investment, Speculation, Gambling, Hedging, Securities, Security Analysis, Portfolio            Portfolio Management and its Importance            Modes of Investment (List),            Features of Investment Avenues            Guidelines for Investors in Stock Market</p> <p><b>Risk &amp; Return Analysis:</b>            Concepts of Risk, Return, Uncertainty            Risk and Return Relationship            Components of Return – Risk Elements – Systematic and Unsystematic Risks.</p> <p><b>Examples:</b> Measurement of Risk through Standard Deviation, Variance, Arithmetic Mean, Geometric Mean and Cumulative Wealth Index.</p>	<b>25 %</b>
<b>2</b>	<p><b>FUNDAMENTAL ANALYSIS-I (Theory only)</b></p> <p><b>Economic Analysis:</b> Tools - Gross Domestic Product, Monetary Policy and Liquidity, Inflation, Interest Rates, International Influences, Consumer Sentiment</p> <p><b>Industry Analysis:</b> Standard industrial classification, Links between the economy and industry sectors, The stock market and the business cycle, Tools -Cross Sectional Industry Performance, Industry Performance Over time, Differences in Industry Risk.</p>	<b>25 %</b>
<b>3</b>	<p><b>FUNDAMENTAL ANALYSIS-II</b></p> <p><b>Company Analysis: Theory (30%):</b> Tools - Threat of New Entrants, Determinants of Entry Barriers, Threat of Substitute Products and Services, Determinants of Substitution Threats, Bargaining Power of Suppliers, Determinants of Supplier Power, Customer Bargaining Power, Determinates of Customer Power, Existing Rivalry, Rivalry Determinants.</p> <p><b>Examples (70%):</b> The Financial Statements of Companies – Performance Ratios, Profitability Ratios, Market Valuation Ratios. (excluding Financial Companies- Banking and Insurance)</p> <p><b>Technical Analysis:</b> Charting Tools – A very brief comparison of these charts- Line charts/Line and Volume Charts, Bar Charts, Candlestick Chart and Point and Figure Chart (An outline only).</p>	<b>25 %</b>
<b>4</b>	<p><b>PORTFOLIO SELECTION &amp; MANAGEMENT: AN OVERVIEW (Theory only)</b></p> <p>Efficient Market Theory, Random Walk Theory, Portfolio Risk/Return, Traditional portfolio Selection, Capital Assets Pricing Model, Growth investing, Value investing.</p>	<b>25 %</b>



## Basic Text & Reference Books

- Amling, Frederic, Investment. Englewood Cliffs, New Jersey, Prentice Hall Inc, 1983.
- Bhalla, V.K. Investment Management: Security Analysis and Portfolio Management, 8<sup>th</sup> Ed., New Delhi, S Chand, 2001.
- Fischer, Donald E, and Jordan, Ronald J. Security Analysis and Portfolio Management, 6<sup>th</sup> Ed., New Delhi, Prentice Hall of India, 1995.
- Haugen, Robert H Modern Investment Theory, Englewood Cliffs New Jersey, Prentice Hall Inc, 1987.
- Hagan, Stanley S.C and Randail, Maury R Investment Analysis and Management. London, Allyn and Bacon, London, 1987.
- Sharpe, William F etc Investment, New Delhi, Prentice Hall of India, 1997.
- Ranganatham M., and Madhumathi R., Investment Analysis and Portfolio Management, Pearson Education.
- Avadhani V A, Securities Analysis and Portfolio Management, Himalaya Publishing House.

