
Security Analysis and Portfolio Management

Overview

Security Analysis and Portfolio Management concerns itself with investment in financial assets with specific attention to the returns and risk associated with investing in securities. The subject is aimed at providing insight to the various analytical techniques used in evaluation of the various investment opportunities. The course also provides of extension of these concepts to the portfolio of securities and the concept of diversification, management of a portfolio.

Key Contents

- Introduction to Equity Markets and Securities, Investment Attributes, Types of Securities, Functions of Stock Market
- Securitisation
 - Process, Benefits
- Index Construction and Changes
- Approaches to Valuation of Securities, Valuation Models:
 - Constant Dividend Model,
 - Constant Dividend Growth Model
 - Effect of Dividend Policy on valuation
- Fundamental Analysis
- Cash Flow Valuation Relative Valuation
- Effects of Combining Securities, Portfolio Theory and Markowitz Diversification Simple Diversification
- Capital Asset Pricing Model
 - Assumptions
 - Derivation Applications
- Efficient Market Hypothesis
 - Weak, Semi Strong, and Strong
 - Tests for EMH
- Arbitrage Pricing Model
- Design of Optimal Portfolio Sharpe Optimisation Model
- Bonds Valuation and Bond Portfolio Management
 - Technical Analysis