



SNS COLLEGE OF ENGINEERING

Kurumbapalayam (Po), Coimbatore – 641 107

An Autonomous Institution

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DEPARTMENT OF MANAGEMENT STUDIES

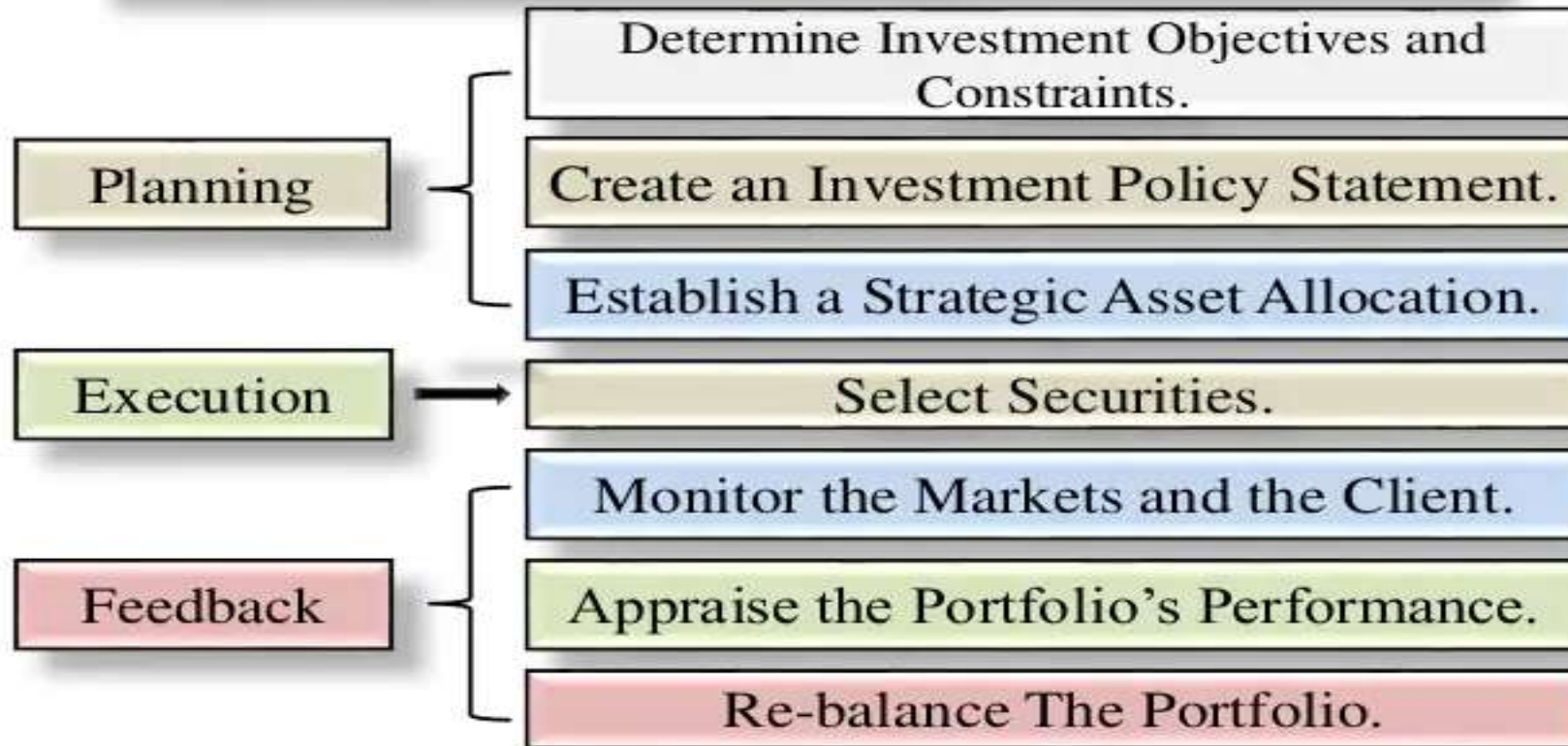
COURSE NAME : 19BA307 - INVESTMENT ANALYSIS AND PORTFOLIO MANAGEMENT

II YEAR / III SEMESTER

UNIT 1 - INVESTMENT MANAGEMENT

PROCESS OF INVESTMENT MANAGEMENT

The Investment Management Process



PROCESS OF INVESTMENT MANAGEMENT

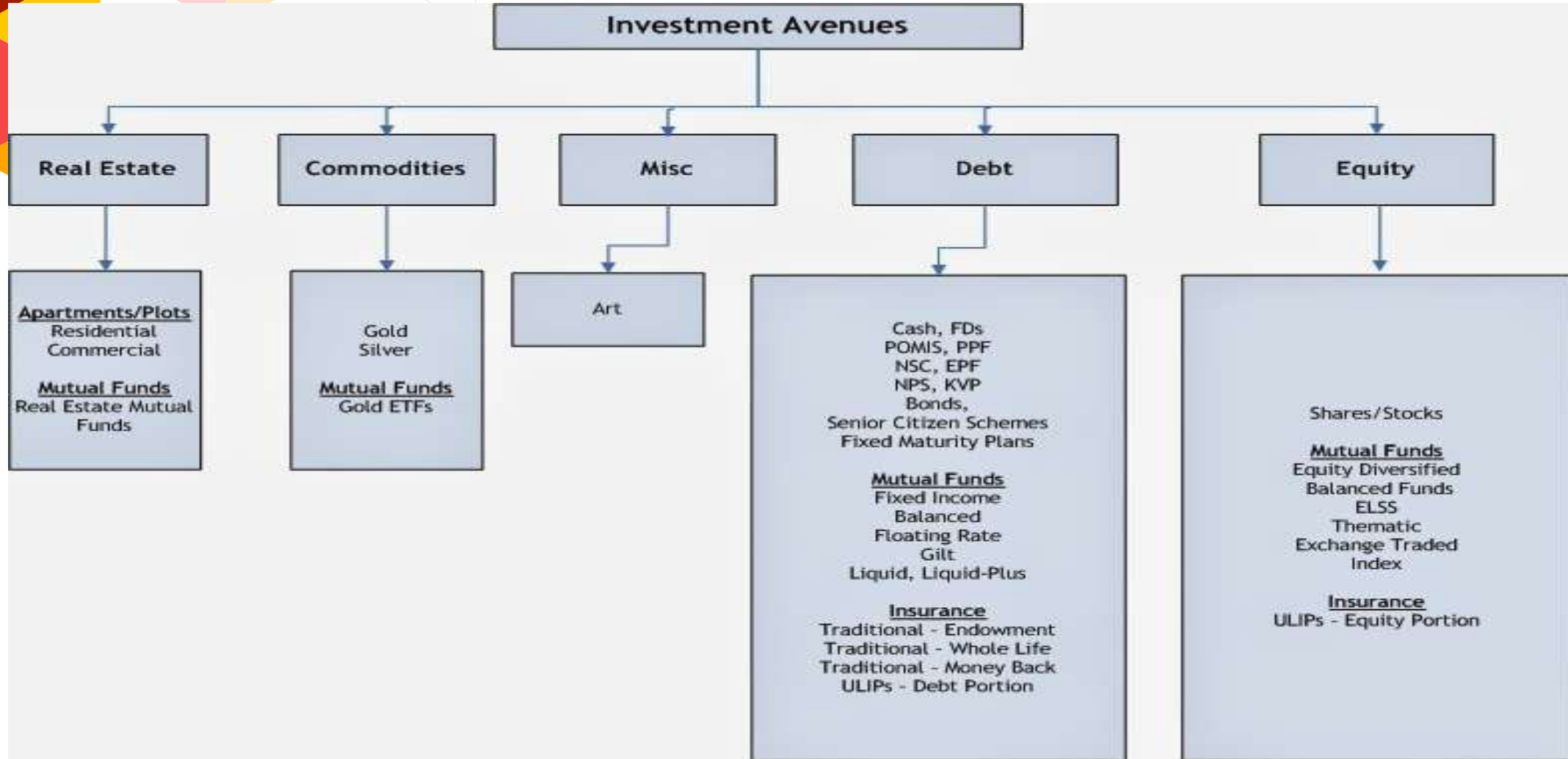




SPECULATION

- Speculation involves trading a financial instrument involving high risk, in expectation of significant returns.
- The motive is to take maximum advantage from fluctuations in the market.

INVESTMENT AVENUES IN INDIA





INVESTMENT AVENUES IN INDIA

TYPES OF INVESTMENT AVENUES

I. Short-term investment Avenues

- Savings bank account
- Money market funds
- Bank fixed deposits

II. Long-term investment Avenues

- Post Office savings
- Public Provident Fund
- Company fixed deposits
- Bonds and debentures
- Mutual Funds
- Life Insurance Policies
- Equity shares



INVESTMENT AVENUES IN INDIA

Investments for NRI

-  NRE Bank Accounts
-  NRO Bank Accounts
-  Real Estate
-  Bonds
-  Equities
-  Fixed and Term Deposits





INVESTMENT AVENUES IN INDIA

Investment Avenues	Expected annualized returns in the long run
Equity mutual funds (especially comprising blue chip companies)	12% to 20%
Balanced fund (funds made up of equity and debt)	8% to 15%
EPF (Employee Provident Fund) and PPF (Public Provident Fund)	8.70%
Bonds offered by Government and Corporates	7% to 9%
Real Estate	Depends on locality
Foreign / overseas mutual fund	8% to 15%



INVESTMENT AVENUES IN INDIA

Table 1 Investor Preferences for the Investment Avenues

Rank	Bank /Post Office Deposit	Insurance Schemes	Share Market/ Mutual Fund	Real Estate	Bullions/ Ornaments
1	40%	25%	08%	16%	11%
2	27%	31%	10%	14%	18%
3	16%	21%	14%	34%	15%
4	12%	14%	17%	21%	36%
5	05%	09%	51%	15%	20%

Source: Survey Data



THANK YOU