

**E-contents for Mcom 3rd
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Vaniya Mahavidyalaya, Patna
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Management**

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Topic: Investment management

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FUNCTIONS OF INVESTMENT MANAGEMENT

- **Planning-** linked with the industrial policy, economic activities.
- **Organising-** Determine the funding needs, forms of funds raising.
- **Co ordinating-** monitor and coordinate all activities on the achievement of investment policy objective and target.
- **Determine the investment tactics.**
- **Reducing the risk and inhance the profitability.**
- **Monitor potential investment.**

INVESTMENT MANAGEMENT ORGANISATION

It is an organisation that invests pooled funds from clients, putting the capital to work through different investments like stocks, bonds, real estate and more.

- Also called money management firms.**
- These organisations invest funds from clients into various securities.**
- It charges a fee that is calculated as a percentage of the client's total assets under management.**
- It usually executes their trades through a designated brokers.**

PROS-

- Professional, legally liable management**

- **Portfolio diversification**
- **More investment options**
- **Economies of scale**
- **Efficient asset allocation**
- **Assessment of performance**

SCOPE OF INVESTMENT MANAGEMENT

- **lay down the different asset classes of investment.**
- **Proportion of funds.**
- **Preparation the investment strategy for income and capital appreciation.**

- Correlate the expectations of capital market and the individual sector of the industry.

- Reserch analysis and judgement.

- Portfolio may relate to the needs of given level of income, liquidity, safety.

- Sucess depends upon the initiative, innovation and judgement.

- Evaluation and adjustment of composition of portfolio from time to time.

- Done with the objective of making it more optimal and efficient.

