Course Code	Course Name	Credits
26CM512	PERSONAL INVESTMENT AND BEHAVIOURAL FINANCE	04

Course Objectives

- To understand the fundamentals of personal investment planning
- To analyze various investment avenues and their risk-return profile
- To study behavioral biases affecting investor decisions
- To develop rational investment strategies by overcoming psychological errors
- To enhance financial decision-making skills

Learning Outcomes

Upon successful completion of this course, it is intended that a student will be able to:

- Understand different investment options and financial instruments
- Evaluate risk and return of investment portfolios
- Identify Behavioural biases in investment decisions
- Apply Behavioural finance concepts to real-life investing
- Develop disciplined and goal-based investment strategies

Unit 1 - Introduction to Personal Investment (12 Hrs.)

Meaning and importance of personal investment - Investment vs Speculation vs Gambling - Investment objectives: Safety, Liquidity, Return - Investment process - Risk and Return concepts - Time value of money.

Unit 2 – Investment Avenues (12 Hrs.)

Financial Assets: Meaning, scope, characteristics - Equity shares, Bonds and Debentures, Mutual Funds, Insurance products. **Physical Assets:** Gold and Silver, Real Estate, Bank Deposits and Post Office Savings, Comparison of investment alternatives

Unit 3 - Portfolio Management (12 Hrs.)

Meaning and objectives of portfolio management - Diversification and asset allocation - Portfolio risk and return - Efficient portfolio concept - Basic introduction to portfolio theories - Portfolio revision and evaluation.

Unit 4 – Introduction to Behavioural Finance (12 Hrs.)

Meaning and scope of Behavioural finance - Traditional vs Behavioural finance - Role of psychology in investment decisions - Heuristics (mental shortcuts) - Prospect theory (risk perception)

Unit 5 - Behavioural Biases in Investment (12 Hrs.)

Meaning, Scope, Types of Investment - **Common biases:** Overconfidence bias, Herd behaviour, Loss aversion, Anchoring bias, Mental accounting - Emotional influences: Fear and Greed - Impact of biases on investment decisions - Techniques to overcome Behavioural biases

Reference Books:

1. Prasanna Chandra – Investment Analysis and Portfolio Management
2. H. Kent Baker & John Nofsinger – Behavioural Finance
3. Edwin Burton & Sunit Shah – Behavioural Finance
4. P. C. Tripathi – Investment Management.

Websites and eLearning Sources:

1. https://www.youtube.com/watch?v=ic1wdDl9T44
2. https://www.youtube.com/watch?v=JL4RMAvbYVQ
3. https://www.youtube.com/watch?v=PbdnpbyNSY8&list=PLRSIdIY0HmkzpZM-z9mq48vMP2NBNn6sN&index=2

COs and Bloom's Taxonomy Mapping – 26CM512		
Course Outcomes	**On successful completion of this course, students will be able to**	**BTL**
CO1	Understand different investment options and financial instruments	K1, K2
CO2	Evaluate risk and return of investment portfolios	K3
CO3	Identify Behavioural biases in investment decisions	K4
CO4	Apply Behavioural finance concepts to real-life investing	K5
CO5	Develop disciplined and goal-based investment strategies	K6

BTL (Bloom's Taxonomy Level) - K1 – Remembering, K2 – Understanding, K3- Applying, K4 – Analyse, K5- Evaluate and K6 - Create

Relationship Matrix – 26CM512													
Course Outcomes	**Programme Outcomes (POs)**						**Programme Specific Outcomes (PSOs)**						**Mean Score of Cos**
	PO1	**PO2**	**PO3**	**PO4**	**PO5**	**PO6**	**PSO1**	**PSO2**	**PSO3**	**PSO4**	**PSO5**	**PSO6**	
CO1	3	2	2	3	2	1	3	3	1	2	2	3	2.25
CO2	3	3	2	3	3	1	3	3	2	2	2	2	2.42
CO3	2	2	1	2	2	2	2	3	1	3	2	1	1.92
CO4	3	3	2	3	3	2	3	3	3	3	2	1	2.58
CO5	3	3	2	3	3	2	3	3	2	3	2	1	2.50
												Total	**2.33**

Mean Score: 3- High, 2- Medium/Moderate, 1-Low

FULLY HUMAN
Fully
Alive