

Discipline	<b>COMMERCE</b>				
Course Code	UK1MDCCOM101				
Course Title	<b>Fundamentals of Investment</b>				
Type of Course	<b>MDC</b>				
Semester	1				
Academic Level	100 – 199				
Course Details	Credit	Lecture per week	Tutorial per week	Practical per week	Total Hours/Week
	3	3 hours			3 hours
Pre-requisites	No prerequisites required				
Course Summary	This course serves as a comprehensive introduction to the basics of investment, focusing on key concepts such as the risk-return trade-off, the time value of money, various investment avenues, and effective investment strategies. Participants will gain a solid foundation in understanding investment principles and learn how to evaluate investment opportunities through practical exposure. The course equips students with the skills to analyse investment risks and returns, calculate the time value of money, and identify suitable investment avenues based on individual financial goals and risk tolerance.				

**Detailed Syllabus:**

Module	Unit	Content	Hrs
<b>I</b>	<b>Basics of Investment</b>		<b>9</b>
	1	Concept of investment	
	2	Importance of investing for financial security and planning	
	3	Investment objectives	
	4	Investment Life Cycle	
	5	Investment Process	
<b>II</b>	<b>Risk-Return Trade off</b>		<b>9</b>
	6	Considerations in making investment decisions	
	7	Concepts of Risk	
	8	Types of investment risk	
	9	Risk profile of investors	
	10	Concept of return and yield	
<b>III</b>	<b>Time Value &amp; Compounding Effect</b>		<b>9</b>
	11	Relationship between risk and return in investment	
	12	Basic Concepts, Importance of Time Value of Money	
	13	Future Value and Present Value Concepts	
	14	Interest rates- Effective Interest Rate, Real Interest Rate and Actual Interest rate.	
	15	Compounding effect and Interest rate conversions	
	16	Loan Amortisation schedule	
<b>IV</b>	<b>Investment Avenues</b>		<b>9</b>
	17	Retirement Planning and Savings Calculations	
	18	Overview of investment alternatives	
<b>V</b>	19	Bank Deposits, Money Market Instruments, SIPs, Pension Funds, National Pension Scheme (NPS),	
	<b>Asset Allocation</b>		<b>9</b>
	20	Shares and Debentures, Bonds, Mutual funds	
	21	Chit Funds	
	22	Exchange Traded Funds (ETFs)	
<b>V</b>	23	Real Estates	
	24	Derivatives	
	25	Importance of asset allocation in investment strategy	
<b>V</b>	26	Factors influencing asset allocation	
	27	Diversification and Importance of Diversification	
	28	Determining asset allocation based on investment goals and risk tolerance	