

Name of the Programme : MBA (Financial Services)
Course Code : MGF-509
Course Title : Fixed Income Securities
Number of Credits : 3
Effective from AY : 2022-23

Pre-requisites for the Course:	NIL	
Course Objectives:	To enable learners to acquire knowledge of fixed incomes securities market mechanisms, products and analytical skills to design suitable fixed income investment management strategies.	
Content:	Unit 1 Fixed Income Securities – Issuance and Trading Fixed income securities and their significance in the economy – Institutional mechanism of fixed incomes securities market – Money market and debt market in India - Types of fixed income securities – Market Participants – Primary and secondary bond market - Risks in fixed income securities – Issuance and settlements of debt securities in India.	10 Hours
	Unit 2 Valuation and Analysis of Fixed Income Securities Yield curve and term structure analysis - Valuation of callable and puttable bonds - Duration, Convexity and Immunization – Valuation of capped and floored floating rate bonds – Valuation and analysis of convertible bonds	10 Hours
	Unit 3 Fixed Income Derivatives Bond futures – Hedging using futures – Valuation of futures and forwards - Interest rate forwards and futures – Interest rate swaps and their applications – Pricing and valuation of interest rate swaps – Credit derivatives, types and their applications – Credit derivative pricing.	15 Hours
	Unit 4 Bond Portfolio Management Bond portfolio management – Meaning – Investment objectives - Constructing fixed income portfolio – Passive fixed income strategies – Active fixed income strategies – Bond portfolio and risk management	10 Hours
Pedagogy:	Lectures/ classroom discussion/ spreadsheet applications/ presentation/case study/ group project/ assignment or a combination of some of these. The sessions shall be interactive to enable peer group learning.	
References/ Readings:	1. Parameswaran, S. (2019). <i>Fixed Income Securities- Concepts and Applications</i> . Walter de Gruyter GmbH & Co KG, Berlin. 2. Mukherjee, K. (2020). <i>Demystifying Fixed Income Analytics: A Practical Guide</i> . Routledge, New York. 3. Fabozzi, F. J., Mann, S. and Fabozzi, F. (2021). <i>Handbook of Fixed Income Securities</i> . McGraw Hill, New York. 4. NISM. <i>Fixed Income Securities</i> . Taxmann. New Delhi.. Petite, B. (2019). <i>Fixed Income Analysis (CFA Institute)</i> . Wiley, New Jersey..	
Course Outcomes:	Upon completion of this course, the students will be able to: CO1: Perform trading and settlement transactions in fixed income securities. CO2: Perform valuation of fixed income securities. CO3: Demonstrate application of fixed income derivatives. CO4: Demonstrate skills in management of bond portfolios.	