Portfolio management


MUTUAL FUNDS
COMMODITIES
STOCKS
BONDS

- It is essential for individuals to invest wisely for the rainy days and to make their future secure
- **Portfolio in business**: a portfolio refers to a collection of investment tools such as stocks, shares, mutual funds, and cash and so on depending on the investor's income, budget and convenient time frame.

What is portfolio management?

- It is the art of selecting the right investment policy for the individuals in terms of minimum risk and maximum return is called as portfolio management. It refers to managing an individual's investments in the form of bonds, shares, cash, mutual funds ect so that he earns the maximum profits within the stipulated time frame. Portfolio management refers to managing money of an individual under the expert guidance of portfolio managers

A DIGITAL BLOGGER

WHY DO YOU NEED PORTFOLIO MANAGEMENT ?



Need for portfolio management

- Portfolio management presents the best investment plan to the individuals as per their income, budget, age, and ability to undertake risks. It minimizes the risks involved in investing and also increases the chance of making profits.
- p. managers understand the client's financial needs and suggest the best and unique investment policy for them with minimum risks involved.
- Portfolio management enables the portfolio managers to provide customized investment solutions to clients as per their needs and requirements

Types of portfolio management:

IRWIN LIBRARY
of Investment & Finance

ACTIVE PORTFOLIO MANAGEMENT



A Quantitative Approach for Producing
Superior Returns and Controlling Risk

SECOND EDITION

RICHARD C. GRINOLD AND RONALD N. KAHN

Active portfolio management

- **Active portfolio management**: the portfolio managers are actively involved in buying and selling of securities to ensure maximum profits to individuals

Passive portfolio management

- **Passive portfolio management**: the portfolio manager deals with a fixed portfolio designed to match the current market scenario

Discretionary Investment Management



Discretionary portfolio management services

- **Discretionary portfolio management services:** in discretionary portfolio management services, an individual authorizes a portfolio manager to take care of his financial needs on his behalf. The individual issues money to the portfolio manager who in turn takes care of all his investment needs, paper work, documentation, filling and so on. In discretionary portfolio management the portfolio manager has full rights to take decisions on his client's behalf

Non-discretionary portfolio management:

- **Non-discretionary portfolio management**: the portfolio manager can merely advise the client what is good and bad for him but the client reserves full right to take his own decisions.


thank
you