

**Program Title****Investment Products & their application through Financial Planning****Program Duration**

4 days (0930-1730 hrs)

**Program Objectives**

By the end of the program, the participants would be able to:

1. Get conceptual clarity on various Investment Instruments, their background and factors that affect their pricing
2. Appreciate financial planning as the most systematic method to achieve financial goals
3. Understand the sales process including as it applies to selling financial products and demonstrate the acquired techniques in role play situations. Specific focus on need identification and providing appropriate solutions
4. Be aware of pitfalls in financial planning so as to avoid them in practice

**Program Outline**Macro Economic Environment

- Micro & Macro economics
- Business Cycles
- Economic Indices – Lead, Lag & Co-incident
- Economic Policy - Fiscal & Monetary policy
- National Income, GDP, GNP
- Interest Rates & Inflation

Traditional Savings and Investment Instruments

- Fixed deposit, LI, Real Estate, Gold, PO Savings schemes
- Equity, Bonds – Features & terminologies
- Types of Equity Instruments
- Types of Debt Instruments
- Historical perspective on Equity & Debt

Equity Markets & Derivatives – Conceptual Understanding

- Historical Perspective - Stock Exchanges, Products
- Concepts
  - Speculation v/s Gambling
  - Arbitrage, Leveraging, Margin Trading
  - Primary & Secondary market
  - Equity, Preference
  - Bonus, Rights, GDR / ADR & Buyback
  - Depository
- Sources of Information
- Valuation
  - Fundamental & Technical Analysis

- Dividends, Earnings & P/E Ratio
  - Book Value
  - Market Capitalisation
  - Beta & Capital Asset Pricing Model
  - Industry specific indices
  - Secondary Market – Trading Process
  - Derivatives Brief
- Insider Trading

### Debt Markets & Instruments

Type of Funds – Income, Gilt, ST Income, Liquid etc & their positioning

### New age investment products

- PMS – Various Models
- Structured Products
- Capital Protected Products

### Introduction to Financial Planning

- Financial Planning – Definition
- Basis for FP – Life Cycle Stages, Wealth Cycle stages
- Process of Financial Planning
- Elements of a Plan

### Financial Planning Strategies

- EPSIS Conundrum
- Risk Management & Insurance Products
- Comparison of various investment instruments
- Direct vs. Indirect Investing

### Financial Planning Tools

- Time Value of Money, PV, FV & Power of Compounding
- RCA, Value Averaging
- Risk Profiling
- Asset Allocation & Its principles

### Steps to Financial Planning

- Case Studies
- Common Pitfalls

### Selling Skills

- What do we sell – Abstract vs. tangible
- The Sales Process – Suspecting → Prospecting → Approach → Need Identification → Presentation → Handling Objections → Closing → Follow-up
- Role Plays on the Sales Process – Focus on Need Identification, FABing & Objection Handling