Capital market essay sample

Finance, Market

1. Trading

Introduction

Neat System

Market Types – Normal Market, Odd Lot Market, Retail Debt Market, Auction

Market Corporate Hierarchy

Local Database

Market Phases – Opening, Open Phase, Market Close, Surcon Logging on

Log Off/Exit from the Application

Neat Screen

Invoking An Inquiry Screen – Market Watch, Security Descriptor, Market by Price, Previous Trades, Outstanding Orders, Activity Log, Order Status, Snap Quote, Market Movement, Market Inquiry, Auction Inquiry, Security/Portfolio List, Multiple Index Broadcast and Graph, Online Backup, Basket trading, Buy Back Trades, Supplementary Functions Order Management – Entering Orders, Order Modification, Order Cancellation, Order Matching Trade Management – Trade Modification, Trade Cancellation Auction – Entering Auction Orders, Auction Order Modification, Auction Order Cancellation, Auction Order Matching Limited Physical Market

Retail Debt Market (RDM)

Trading Information Downloaded to Members

Internet Broking

Wireless Application Protocol

2. Clearing and Settlement

Introduction – Transaction Cycle, Settlement Process, Settlement Agencies,

Risks in Settlement Settlement Cycle

Securities Settlement

Funds Settlement

Shortages Handling

Risk Containment Measures – Capital Adequacy Requirements, Margins,

Settlement Guarantee, No-Delivery Period International Securities

Identification Number

Dematerialisation And Electronic Transfer of Securities Investor Protection

Fund

Clearing Software – Reports

File Transfer Protocol

3. Trading Membership

Stock Brokers – Introduction, Membership in NSE

Sub-Brokers

o Broker-Clients Relations – Know Your Client, Unique Client Code, Margins

from the Clients, Execution of Orders, Accumulation of Orders, Contract

Note, Payments/Delivery of Securities to the Clients, Brokerage, Payment of

Stamp Duty, Segregation of Bank Accounts o Sub-Broker-Client Relations –

Know Your Client, Orders, Purchase/Sale Note, Payments/Delivery of

Securities, Sub-Brokerage o Dispute, Arbitration and Appeal

o Code of advertisement

4. Legal Framework

Securities Contracts (Regulation) Act, 1956

Securities Contracts (Regulation) Rules, 1957

Securities and Exchange Board of India Act, 1992

SEBI (Stock Brokers & Sub-Brokers) Rules, 1992

SEBI (Stock Brokers & Sub-Brokers) Regulations, 1992 SEBI (Insider Trading)

Regulations, 1992

SEBI (Prohibition of Fraudulent And Unfair Trade Practices Relating to

Securities Markets) Regulations, 1995 The Depositories Act, 1996

Indian Contract Act, 1872

The Companies Act, 1956

Public Debt Act, 1944

Income Tax Act, 1961

5. An Overview of the Indian Securities Market

Introduction – Market Segments, Products and Participants A

Profile – Dependence on Securities Market, Investor Population Primary

Market

Secondary Market

Derivatives Market

Market Design – Primary Market, Secondary Market, Derivatives Market

Regulatory Framework

Research in Securities Market

Testing and Certification

6. Fundamental Valuation Concepts

Elementary Statistical Concepts – Mean, Geometric Mean, Variance,

Standard Deviation, Coefficient of Variation, Covariance, Correlation

Coefficient, Normal Distribution Time Value of Money – Future Value of A

Single Cash Flow, Future Value of an Annuity, Present Value of a Single Cash Flow, Present Value of an Annuity Understanding Financial Statements – Comparative Financial Statements, Common Size Statements, Ratio Analysis Equity Research – Bhav Copy Database, Index Database, Order Book Snapshots, Database, Trades Database