[Glossary]

Portfolio Theory (Part - 2)

Subject:	Business Economics
Course:	B. A. (Hons.), 5th Semester, Undergraduate
Paper No. & Title:	Paper – 511 Investment Management
Unit No. & Title:	Unit – 3 Portfolio Theory
Lecture No. & Title:	Lecture – 2 Portfolio Theory (Part - 2)

Glossary

1. Public sector

An enterprise that is owned and operated by government is called public sector enterprise.

2. Private sector

An enterprise that is owned and operated by individuals with the sole objective of earning profits is called private sector enterprise.

3. Subscription

A subscription is a contract in which a person pays for something in regular intervals, or in which a person pays a fee to receive a product, or service.

4. Net asset value

It is the total value of organization's assets minus the value of liabilities, often in relation to open ended or mutual funds.

5. Gilt

Gilts are bonds issued by government to raise money.

6. Benchmark index

A bench mark is an unmanaged group of securities which are considered as 'benchmark' to measure a fund's performance. Bench marks are generally broad market indices such as BSE Sensex, CNX nifty of the Indian stock market with which mutual funds returns are compared.

7. Tax rebate

It is the refund on taxes when the tax liability is less than the taxes the individual has paid.

8. Securities transaction tax

STT is a tax payable in India on the value of securities transacted through a recognized stock exchange.

9. Portfolio transaction cost

The expenses associated with buying and selling securities, including commission, purchase and redemption fees, exchange fees and other miscellaneous costs.

10. Derivatives

A derivative is a security with a price that is dependent upon or derived from one or more underlying assets.