

Course Profile
Department of Management / Management Program

Course Number : MAN412	Course Title : Portfolio Management
Required / Elective : Elective	Pre / Co-requisites : None
Catalog Description: Subtle balance between risk and the return associated with the investment; analysis tools for investment decision making.	Textbook / Required Material : Bodie, Zvi, Alex Kane and Alan J. Marcus, Essentials of Investments, McGraw Hill International Edition, 7 th Edition, 2008
Course Structure / Schedule : (3+0+0) 3 / 6 ECTS	
<p>Extended Description :</p> <p>The purpose of this course is to develop the quantitative and qualitative skills needed for investment analysis and portfolio management. Major topics include trade-off between risk and return, optimal portfolio selection, equilibrium asset pricing models, and delegated portfolio management. The course material somehow favors equity rather than fixed income and derivatives markets. Nonetheless, these instruments will be covered towards the end of the course, focusing on how they may be used to satisfy investment objectives that are difficult to achieve with equities alone.</p>	
Design content : None	Computer usage: Excel
<p>Course Outcomes: [relevant program outcomes in brackets]: By the end of this course, students will be able to:</p> <ol style="list-style-type: none"> 1. Use various kinds of financial assets available in forming portfolios. For that purpose, students will have the necessary understanding of where and how these financial assets are bought and sold, and their characteristics in terms of risk and return.[8] 2. Explain the basic principles of modern portfolio theory and how they restrict investor behavior. Using these ideas, students should be able to construct a recommended investment portfolio for an individual investor. [2,8,10] 3. Evaluate the implications of the efficient market hypothesis on portfolio management.[2,8] 4. Use one or more of several stock selection techniques to choose companies to invest in. [8,10] 5. Use the techniques in active bond portfolio management. [2,8,10] 6. Use derivative securities for hedging risk. [2,8,10] 7. Evaluate past performance of portfolios. [2,8,10] 	
Recommended reading:	
Teaching methods Lectures, slides	
Assessment methods: Quizzes: 20% Midterms: 40%	

Final Examination: 40%

Student Workload

Preparatory reading	60 hrs
Lectures	38 hrs
Problem Solving	45 hrs
Examinations	7 hrs

TOTAL: 150 hours / 25 = 6 ECTS

Weekly Subjects and Related Preparation Studies

Week	Subject	Related Preparation
1	Investments: Background and Issues	-
2	Asset Classes and Financial Instruments	-
3	Securities Markets	-
4	Risk and Return: Past and Prologue	-
5	Efficient Diversification	-
6	Capital Asset Pricing and Arbitrage Pricing Theory	-
7	The Efficient Market Hypothesis	-
8	Bond Prices and Yields	-
9	Managing Bond Portfolios	-
10	Equity Valuation	-
11	Options Markets	-
12	Option Valuation	-
13	Futures Markets and Risk Management	-
14	Performance Evaluation and Active Portfolio Management	-

The Relationship Between Course Learning Outcomes and Program Qualifications

	Program Qualifications / Outcomes	Level of Contribution				
		1	2	3	4	5
1	Comprehend the principal theories and the terminology of international trade.	X				
2	Integrate the theories of international trade with the real life functions in changing global business world.	X				
3	Apply international finance knowledge and accounting methods into global cases.	X				
4	Be able to integrate planning and management of logistic function and supply chain activities from an international perspective.	X				

5	Comprehend the key concepts of global marketing.	X				
6	Evaluate the risks that foreign trade companies and multinational companies face and analyze them.				X	
7	Explain the different political, legal, and economic systems and technological forces in the international environment.	X				
8	Develop a conceptual framework for the analysis, evaluation and development of goals and strategy for organizations in a global context.	X				
9	Communicate and present ideas effectively in verbal and written.		X			
10	Participate in a team work effectively and increase the dynamics of the team.	X				
11	Use computer-based technology and related packaged software.				X	
12	Consider the principal laws and legislations that provide the legal framework for foreign trade.	X				
13	Have the consciousness of ethics and social responsibility issues.	X				
14	Achieve an interdisciplinary point of view.	X				

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