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| **Course Information** | | |
| **Course Number** | AcFn3201 | |
| **Course Title** | **Investment and Portfolio Management** | |
| **Degree Program** | BA Degree in Accounting and Finance | |
| **Module** | **Project and Investment Analysis** | |
| **Module no and code** | **M20 ; AcFn-M3201** | |
| **Module Coordinator** |  | |
| **Lecturer** | Mekuanint Z. | |
| **ETCTS Credits** | 5 | |
| **Contact Hours (per week)** | 3 | |
| **Course Objectives & Competences to be Acquired** | The course will enable students to understand different investment avenues and aware of the risk return of different investment alternatives and estimate the value of securities so as to make valuable investment decisions. | |
| **Course Description** | This course provides an overview of the field of investment .it explains basic concepts and methods useful in investment. The course also tries to imitate the valuation of bond and stocks. It also covers fundamental and technical analysis as well as portfolio construction and portfolio managements. | |
| **WEEKS** | **Course Contents** | **Reading** |
|  | 1. **Introduction to investment**    1. What is investment    2. Investment alternatives    3. Investment companies    4. Security market |  |
|  | 1. **Risk and return**    1. Return    2. Risk    3. Measuring historical risk    4. Measuring historical return    5. Measuring expected risk and return |  |
|  | 1. **Fixed income securities**    1. Bond characteristic    2. Bond price    3. Bond yield    4. Risks in bond    5. Rating of bonds    6. Analysis of convertible bonds |  |
|  | 1. **Stock and equity valuation**    1. Stock characteristic    2. Balance sheet valuation    3. Dividend discount model    4. Free cash flow model    5. Earning multiplier approach |  |
|  | 1. **Security analysis**    1. Macro-economic analysis    2. Industry analysis    3. Company analysis    4. Technical analysis |  |
|  | 1. **Portfolio theory**    1. Diversification and portfolio risk    2. Portfolio risk and return    3. Capital allocation between risky and risk free assets    4. Optimum risky portfolio |  |
|  | 1. **Portfolio Management**    1. Portfolio performance evaluation    2. The process of portfolio management    3. Risk management and hedging    4. Active portfolio management    5. International portfolio management |  |
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| Teaching & Learning Methods/strategy | The teaching and learning methodology include lecturing, discussions, problem solving, and analysis. Take-home assignment will be given at the end of each chapter for submission within a week. Solution to the assignments will be given once assignments are collected. Cases with local relevance will also be given for each chapter for group of students to present in a class room. The full and active participation of students is highly encouraged. | |
| Assessment/Evaluation | The evaluation scheme will be as follows:   |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | | Test 1 | Test 2 | Test 3 | Quiz1 | Assignment 1 | Final | Total | | 10% | 10% | 15% | 5% | 10% | 50% | 100% | | |
| Work load in hours | |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | Hours Required | | | | | | | Total Hrs | ECTS | | Lectures | Lab | Assessments | Tutorials | Self-Studies | Assignment | Advising | | 32 | - | 10 | 12 | 27 | - | - | 81 | 3 | | |
| Roles of the Instructor | He/she will come to the class regularly on time and deliver the lecture in a well-organized manner. Besides, at the end of each class he/she gives reading assignment for the next class. He/she will make sure that proper assessments is given. He/she is also responsible to give feedback for each assessment. | |
| Roles of the students | The success of this course depends on the students’ individual and collective contribution to the class discussions. Students are expected to participate voluntarily, or will be called upon, to contribute to set exercises and problems. Students are also expected to read the assigned readings and prepare the cases before each class so that they could contribute effectively to class discussions. Students must attempt assignments by their own. Proficiency in this course comes from individual knowledge and understanding. Copying the works of others is considered as serious offence and leads to disciplinary actions. | |
| Text and reference books | **Text Book:**   * Chandra, P.Investments Analysis Portfolio management. 3rd   **Reference Books**   * Bodie, Kane & Marcus. Investments. 4th * Elton, E.J.& Guruber,M.J.. Modern Portfolio Theory and Investment Analysis. 5th * Avadhani,V.A Security Analysis and Portfolio Management. 9th | |
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