

DEREE COLLEGE SYLLABUS FOR: EC 4129 INVESTMENT ANALYSIS AND MANAGEMENT II					
(Same as FN 4129 INVESTMENT ANALYSIS AND MANAGEMENT II) (Updated Fall 2021)	UK LEVEL: 6 UK CREDITS: 15 US CREDITS: 3/0/3				
PREREQUISITES:	EC/FN 3046 Investment Analysis and Management I				
CATALOG DESCRIPTION:	Portfolio theory and the process of portfolio management: establishing objectives, industry and company analysis, constructing and managing a portfolio, measuring and evaluating portfolio performance.				
RATIONALE:	This is the second of two courses in investment analysis and management. This course builds on investment theory with an emphasis on establishing appropriate investment objectives, measuring and managing investment risk and return. The course provides a practical, hands-on experience in investment management through a portfolio project. The course prepares future portfolio managers for selecting assets, managing risk and constructing optimal portfolios.				
LEARNING OUTCOMES:	As a result of taking this course, the student will be able to: <ol style="list-style-type: none"> 1. Discuss the role and the purpose of single and multifactor models and how these can be used to forecast return and risk of investment portfolios 2. Demonstrate knowledge and understanding of the concept and testing of market efficiency 3. Construct and manage a portfolio of securities, create an investment policy statement matching a client's portfolio objectives and constraints. 4. Measure and evaluate portfolio performance 				
METHOD OF TEACHING AND LEARNING:	In congruence with the learning and teaching strategy of the college, the following tools are used: <ul style="list-style-type: none"> ➤ Classes consist of lectures, problem-solving sessions, and interactive class discussions. ➤ Use of cases and spreadsheet applications with the aim of enhancing students' analytical and critical capabilities. ➤ Use of the Simulated Trading Room for the use of databases and illustrating examples. ➤ Portfolio construction and optimization: Students construct and optimize a stock portfolio. Students develop an investment strategy, screen and review prospective securities, and update the status and performance of existing positions. ➤ Group discussion - students are divided into groups to work on case projects and short research activities that involve the use of web search or the use of financial databases ➤ Office hours: students are encouraged to make full use of the office hours of their instructor, where they can ask questions and go over lecture material. ➤ Use of Blackboard, where instructors post lecture notes, assignment instructions, timely announcements, as well as additional resources. 				
ASSESSMENT:	<table border="1"> <tr> <td>Summative:</td> <td></td> </tr> <tr> <td>1st assessment: Individual project (2,600-2,800 words); individual presentation</td> <td>50%</td> </tr> </table>	Summative:		1 st assessment: Individual project (2,600-2,800 words); individual presentation	50%
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	<table border="1" data-bbox="560 136 1299 241"> <tr> <td>Final assessment: In-class written examination (Two-hour, closed-book, comprehensive)</td> <td>50%</td> </tr> </table> <p>Formative:</p> <table border="1" data-bbox="560 294 1299 336"> <tr> <td>Formative assignments</td> <td>0%</td> </tr> </table> <p>The formative assignments prepare students for the examinations and ensure that students are actively engaged during the term.</p> <p>The 1st assessment tests Learning Outcomes 1 and 3. The final assessment tests Learning Outcomes 1, 2, 3, and 4.</p> <p>The final grade for this module will be determined by averaging all summative assessment grades, based on the predetermined weights for each assessment. If students pass the comprehensive assessment that tests all Learning Outcomes for this module and the average grade for the module is 40 or higher, students are not required to resit any failed assessments.</p>	Final assessment: In-class written examination (Two-hour, closed-book, comprehensive)	50%	Formative assignments	0%
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<p>INDICATIVE READING:</p>	<p>REQUIRED READING:</p> <p>Elton, E. J., Gruber M. J., Brown S.J., and Goetzmann W., Modern Portfolio Theory and Investment Analysis, John Wiley & Sons, latest edition.</p> <p>Other library sources, including journal articles accessible through the Library, as assigned by the instructor.</p> <p>RECOMMENDED READING:</p> <p>Ang, A., Asset Management: A Systematic Approach to Factor Investing. Oxford University Press, 2014.</p> <p>Bodie, Z.A., Kane, A. and A.J. Marcus, Investments, McGraw-Hill, latest edition.</p> <p>Brinson, G. P. Hood, L. R. and Beebower, G. L. (1986). Determinants of portfolio performance. Financial Analysts Journal, Vol., 42 (4).</p> <p>Campbell, J.Y., Lo, A and McKinlay, A.C., The Econometrics of Financial Markets, 1997. Princeton University Press.</p> <p>Gollier, C. (2001) The Economics of Risk and Time, MIT Press.</p> <p>Ibbotson, R. (2010). The Importance of Asset Allocation”, Financial Analysts Journal, Vol. 66, (2).</p> <p>Ilmanen, A. (2011). Expected Returns: An Investor’s Guide to Harvesting Market Rewards. Wiley.</p> <p>Laopodis, N.T., Understanding Investments: Theories and Strategies, Routledge, latest edition</p> <p>Pedersen, L. H. (2015). Efficiently Inefficient: How Smart Money Invests and Market Prices Are Determined. Princeton University Press.</p> <p>Gollier, C. (2001). The Economics of Risk and Time, MIT Press.</p> <p>Cochrane, J. H. (2005). Asset Pricing, Princeton University Press.</p>				

	<p>Financial Times (daily)</p> <p>Wall Street Journal (daily)</p> <p>Journal of Financial Analysis (weekly)</p>
<p>INDICATIVE MATERIAL: <i>(e.g. audiovisual, digital material, etc.)</i></p>	<p>REQUIRED MATERIAL: N/A</p> <p>RECOMMENDED MATERIAL: N/A</p>
<p>COMMUNICATION REQUIREMENTS:</p>	<p>Use of appropriate academic conventions as applicable in oral and written communications.</p>
<p>SOFTWARE REQUIREMENTS:</p>	<p>Excel, Word, PowerPoint, Refinitiv, Bloomberg</p>
<p>WWW RESOURCES:</p>	<p>www.bloomberg.com www.wsj.com www.finance-yahoo.com www.ft.com www.effectiveinventory.com www.studyfinance.com www.teachmefinance.com www.investing.com www.finviz.com www.ase.gr www.adex.gr www.markettrac.nyse.com</p>
<p>INDICATIVE CONTENT:</p>	<ol style="list-style-type: none"> 1. Review of portfolio optimization 2. CAPM Extensions and Empirical tests 3. Multifactor models 4. Market Efficiency 5. Hedging Strategies 6. Mutual Funds 7. Portfolio Performance and Evaluation