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|--|--------------|-----|---------------------|-----|--------------|-----|------------|------------|-------|-------------|
| <p><b>M:</b> Course Objectives / Learning Outcomes</p> <p>At the end of the course, the student should be able to:</p> <ol style="list-style-type: none"> <li>1. describe the characteristics of risk, measures of dispersion and variance of combinations of assets;</li> <li>2. describe the techniques of calculating the efficient portfolios;</li> <li>3. describe the correlation structure of security returns;</li> <li>4. evaluate and describe the techniques required to select an optimum portfolio;</li> <li>5. describe strategies for optimal mix portfolio models, capital allocation for portfolio mix;</li> <li>6. evaluate portfolio returns of a small, active portfolio;</li> <li>7. explain the portfolio evaluation techniques, earning estimation, and bond pricing techniques;</li> <li>8. describe the valuation and uses of financial futures in the management of portfolios;</li> <li>9. test a simple Arbitrage Pricing Model for asset pricing, for a small portfolio of assets.</li> </ol>   |              |     |                     |     |              |     |            |            |       |             |
| <p><b>N:</b> Course Content:</p> <ol style="list-style-type: none"> <li>1. Introduction of securities and the investment process.</li> <li>2. Markets for securities and taxes.</li> <li>3. Risk and return in a portfolio.</li> <li>4. Industry analysis.</li> <li>5. Company analysis: measuring earnings.</li> <li>6. Company analysis: forecasting techniques.</li> <li>7. Company analysis: applied evaluation.</li> <li>8. Bond analysis: returns, systematic and unsystematic risk assessment.</li> <li>9. Portfolio analysis, Markowitz Risk-Return Optimization.</li> <li>10. Portfolio selection, risk and investor preferences.</li> <li>11. Delineation of efficient portfolios, and techniques of calculating efficient frontiers.</li> <li>12. Portfolio theory and portfolio selection process.</li> <li>13. The correlation structure of security returns: the Single Index Model.</li> <li>14. Techniques of determining the efficient frontier.</li> <li>15. Utility analysis.</li> <li>16. The standard capital asset pricing model (CAPM) and its application in portfolio management.</li> <li>17. The Arbitrage Pricing Model (APT) and its application in portfolio management.</li> <li>18. Option Pricing Theory.</li> <li>19. The valuation and uses of financial futures.</li> <li>20. Evaluation of the investment process.</li> </ol> |              |     |                     |     |              |     |            |            |       |             |
| <p><b>O:</b> Methods of Instruction</p> <p>A combination of lectures, supplementary materials &amp; presentations and class presentations.</p>   |              |     |                     |     |              |     |            |            |       |             |
| <p><b>P:</b> Textbooks and Materials to be Purchased by Student</p> <p>Elton, Gruber. Modern Portfolio Theory and Investment Analysis (Latest Edition). John-Wiley and Sons, Canada.</p>   |              |     |                     |     |              |     |            |            |       |             |
| <p><b>Q:</b> Means of Assessment</p> <table style="margin-left: 40px; border-collapse: collapse;"> <tr> <td style="padding: 2px 10px;">Midterm exam</td> <td style="text-align: right; padding: 2px 10px;">30%</td> </tr> <tr> <td style="padding: 2px 10px;">Portfolio Cases (2)</td> <td style="text-align: right; padding: 2px 10px;">30%</td> </tr> <tr> <td style="padding: 2px 10px;">Presentation</td> <td style="text-align: right; padding: 2px 10px;">10%</td> </tr> <tr> <td style="padding: 2px 10px;">Final Exam</td> <td style="text-align: right; padding: 2px 10px;"><u>30%</u></td> </tr> <tr> <td style="padding: 2px 10px;">Total</td> <td style="text-align: right; padding: 2px 10px;"><u>100%</u></td> </tr> </table>  | Midterm exam | 30% | Portfolio Cases (2) | 30% | Presentation | 10% | Final Exam | <u>30%</u> | Total | <u>100%</u> |
| Midterm exam   | 30%          |     |                     |     |              |     |            |            |       |             |
| Portfolio Cases (2)  | 30%          |     |                     |     |              |     |            |            |       |             |
| Presentation   | 10%          |     |                     |     |              |     |            |            |       |             |
| Final Exam   | <u>30%</u>   |     |                     |     |              |     |            |            |       |             |
| Total  | <u>100%</u>  |     |                     |     |              |     |            |            |       |             |

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| <p><b>R:</b> Prior Learning Assessment and Recognition: specify whether course is open for PLAR</p> <p>none</p> |
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Course Designer(s): **Joe Ilsever**

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Education Council / Curriculum Committee Representative

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Dean / Director: **Rosilyn G. Coulson**

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Registrar: **Trish Angus**