



Investment and Portfolio Management (Undergraduate)

International Academic Camp Course Syllabus
Fudan Campus, 2019 December

Study Term:
Winter, 09/12/2019 - 27/12/2019

Study Level:
Undergraduate

Class hours:
16:20 - 19:15

Location:
No.220 Handan Rd, Shanghai, China.

Course Description:

This course lays the theoretical foundation as well as providing practices for conducting investment analysis and portfolio management. Topics will include asset allocation and portfolio optimization, the theory of asset pricing models and their implications for investment, the basis of bond pricing and bond portfolio management as well as financial instruments and techniques for managing portfolio risk. At the conclusion of the course you will develop a capacity for independent thought and critical analysis and be sufficiently competent to apply the theory and techniques in the areas of investment analysis and portfolio management.

Course Goals:

On successful completion of this course you will be able to:

1. Understand the nature of an investment and its environment, characteristics of different asset classes and the importance of asset allocation, professional money management and industry ethics in diverse contexts;
2. Explain the theoretical foundation for modern portfolio theory and apply required techniques to construct an efficient portfolio;
3. Understand capital asset pricing model and arbitrage pricing theory, differentiate theoretical foundations behind different models which are used to simplify the portfolio selection process, such as single-index model, multi-factor asset pricing models in order to apply most appropriate one in a given scenario;
4. Apply fundamental analysis on available market information, such as financial statement, media information (e.g. Google finance, Yahoo finance, Bloomberg) to make an optimal investment decision;
5. Understand pricing mechanism of fixed-income securities, explain the implication of different shapes of interest rate term structure and their effects on bond pricing and return; identify keys factors in bond-portfolio management;
6. Compare the profiles of different financial derivative securities which can be combined with existing portfolios to manage these portfolios' exposure of market risk and implement appropriate risk management strategy in a given scenario.

Required Texts:

Zvi Bodie, Alex Kane, and Alan J. Marcus, *Investments*, 11th Edition



Assessment:

Assessment Task	Weighting	Due Date
Two Take-home Individual Assignments:	2 x 10%	TBD
2-hour Mid-term Exam (Close-book)	40%	TBD
2-hour Final Exam (Close-book)	40%	TBD

Course Schedule:

Day	Date	Topic	Chapter	Assessments
1	09/12/2019	Introduction	1, 2, 4	
2	10/12/2019	Risk, Return and Diversification	5	
3	11/12/2019	Capital Allocation to Risky Assets and Optimal Risky Portfolio	6,7	
4	12/12/2019	Index Models	8	Take-Home Individual Assignment due
5	13/12/2019	The Capital Asset Pricing Model	9	
SATURDAY & SUNDAY				
6	16/12/2019	Arbitrage Pricing Theory and Multifactor Models of Risk and Return	10	
7	17/12/2019	Bond Prices and Yields	14	
8	18/12/2019	Mid-term Exam Review	N/A	2-Hours Close-book Mid-term Exam
9	19/12/2019	Term Structure of Interest Rates	15	
10	20/12/2019	Managing Bond Portfolios	16	
SATURDAY & SUNDAY				
11	23/12/2019	Equity Valuation Models	17, 18	
12	24/12/2019	Financial Statement Analysis	19	Take-Home Individual Assignment due
13	25/12/2019	Option Contract	20, 21	
14	26/12/2019	Futures Markets and Risk Management	22, 23	
15	27/12/2019	Final Exam Review	N/A	