



University of International Business and Economics
International Summer Sessions

FIN 330: Investment analysis

Term: 18 December 2017 – 8 January 2018

Instructor: Xiaofei Pan

Position: Senior Lecturer, University of Wollongong

Academic appointments:

Senior Lecturer, University of Wollongong, Australia

Email: xpan@uow.edu.au.

Class Hours: Monday through Friday, 100 minutes each day

Office Hours: Available by appointment

Teaching Assistant: TBA

Email: TBA

Total Contact Hours: 64 contact hours (45 minutes each, 48 hours in total)

Credit: 4 units

Course Description

This subject deals with security analysis and portfolio management. The subject is both descriptive, dealing with a range of securities and the market they operate in, and theoretical, considering theories of the market and the equilibrium prices of securities. Topics covered include portfolio theory and the capital asset pricing model, portfolio management, company, industry and market analysis, investment strategies and the evaluation of portfolio performance. This subject also introduces students to modern portfolio theory and practice with focus on optimal investment decision-making and portfolio construction.

Course Goals:

This course aims to achieve the following:

1. Describe the various investment vehicles and financial markets available to investors.
2. Measure the risk and return characteristics of securities and portfolios.
3. Demonstrate an understanding and an ability to apply Modern Portfolio Theory in the construction and analysis of investment portfolios.
4. Demonstrate an understanding and an ability to apply valuation techniques to share, bond and other investments.
5. Explain the process of planning investment portfolios to cater for a variety of individual requirements.

Xiaofei Pan (Copyright UOW 2017)

6. Apply performance measurement techniques to investment portfolios.

Required Texts:

Smart, S., Gitman, L. J., Joehnk, M. D., Fundamentals of Investing, 2016. Global Edition (13e), Pearson

Attendance: Required

Grading Policy:

Your final grade for the course will be calculated in the following way:

20%	In-session tests (two tests scheduled in classes)
20%	Group assignment
60%	Final exam (Individual)

Grading Scale:

Assignments and examinations will be graded according to the following grade scale:

A	90-100
A-	85-89
B+	82-84
B	78-81
B-	75-77
C+	72-74
C	68-71
C-	64-67
D	60-63
F	below 60

General Expectations:

1. Research skills

A sound knowledge of investment strategy and portfolio management is required. To capture this knowledge you will need to access credible information and apply this to your assignment and presentation. Your ability to demonstrate your understanding of key challenges will depend on how you decipher and evaluate the information these sources provide. Critical analysis of your research findings is essential.

2. Strategic thinking and communication skills

To effectively develop programs that assist fund managers to achieve their investment objectives you will need to apply portfolio investment frameworks strategically and communicate you're your clients effectively.

For this course, you will be required to present your work in a manner that demonstrates your capacity to understand and make decisions of optimal portfolio in a consistent way with your objectives.

You will be required to reference your work and apply the portfolio investment frameworks presented in the course.

3. Class participation

This class is designed to be interactive. In other words, your opinion will be requested in class - please be prepared to participate. Class discussion is essential to you successfully completing this course as it provides an opportunity for me to provide you with feedback and creates a platform to discuss key components of the course in-depth. To effectively participate in class please read the material provided prior to each session.

When we discuss issues in class please listen carefully to the person presenting their view – this will help you learn from each other's experiences.

The Course Schedule is presented on the following page.

Monday, 18 December 2017	Investment environment
Tuesday, 19 December 2017	How securities are traded
Wednesday, 20 December 2017	The returns and risks from investing
Thursday, 21 December 2017	Shares and analysing shares
Friday, 22 December 2017	Share valuation and preference shares
Monday, 25 December 2017	Discussions about the group assignment In-session test
Tuesday, 26 December 2017	Technical analysis, market efficiency and behavioural finance
Wednesday, 27 December 2017	Fixed income securities and bond valuation
Thursday, 28 December 2017	Managed funds: Professional managed portfolios
Friday, 29 December 2017	Options: Puts and calls
Tuesday, 2 January 2018	Futures markets and securities In-session test
Wednesday, 3 January 2018	Real estate and other tangible investment
Thursday 4 January 2018	Alternative to mean-variance paradigm
	Group assignment due and to be submitted at the beginning of class.
Friday 5 January 2018	Determinants of efficient frontier
Monday 8 January 2018	Final revisions

Readings and materials:

1. Z.Bodie, A.Kane and A.J.Marcus, 2011, 9th Edition. Investment, McGraw Hill
2. F.K.Reilly and K.C.Brown, 2009. 9th Edition, Investment analysis and portfolio management, South-Western Cengage Learning.