

**COURSE TITLE:                SECURITY ANALYSIS AND PORTFOLIO  
MANAGEMENT**

**COURSE CODE:             MBAFA 7303**

**HOURS TAUGHT:           3 HRS PER WEEK**

**PREREQUISITES:          NONE**

### **PURPOSE OF COURSE**

The course concerns itself with the theory and empirical information related to investment management. The topics considered include fundamentals of security valuation, capital markets, optimal portfolio construction, the investor psychology, performance evaluation, and risk measurement. The major securities discussed include shares as well as fixed – income securities and financial derivatives. The course requires some basic grounding in statistics such as covariance, correlation and regression analysis.

### **EXPECTED LEARNING OUTCOMES**

By the end of the course unit, students should be able to:

- Discuss the technical aspects of managing a security portfolio,
- Explain the concepts and analytical techniques to current issues in finance,
- Explain the ability to manage money, both personally and for clients in a professional setting, by making investment decisions with a portfolio of "live" securities.
- Describe the security analysts, portfolio managers, corporate financial officers and other industry Professional
- Discuss the money management and financial planning, as well as other general finance positions

### **COURSE CONTENT**

#### **Fundamental analysis**

- Nature of analysis

- Thurs industry analysis
- Analysis topics, risk and return
- Thurs securities trading

### **Portfolio theory and optimal asset allocation**

- Capm
- Apt and multiple factor models

### **Market efficiency**

- Anomalies
- Behavioral finance (Psychological biases)

### **Fixed income**

### **Bond Portfolio management**

### **Derivatives**

- Nature of derivatives
- Hedge funds

### **Performance evaluation**

Methods of evaluation

Value at risk

### **Risk management**

### **MODE OF DELIVERY**

- Lectures
- Reading assignments
- Practical assignments
- Field trips
- Documentaries

### **INSTRUCTIONAL MATERIALS AND / OR EQUIPMENT**

- Whiteboard and Markers

- Flip Charts
- LCD Projectors
- CDs, DVDs and Tapes

## **COURSE ASSESSMENT**

- Continuous assessments tests 20%
- Group and individual project (course work) 20%
- End of Semester Examination 60%

## **READING MATERIALS / LIST**

Alex Kane, and Alan Marcus, Investments, Zvi Bodie, (2001) . Irwin / McGraw – Hill Publishing . (BKM) fifth edition.

Burton Malkiel, W. W. Norton & Co., (2000) . A Randon Walk Down Wall Street, Seventh edition .

Nassun Takevm Texere, (2001). The Hidden Role of Chance in Markets and Life, Fooled by Randomness.

Peter Bernstein, (1992). Capital Ideas, Free Press .

Robert Haugen, (1999). Prentice Hall. The New Finance: The Case against Efficient Markets. Second edition.