Investment and Portfolio Management

Module Code: ECO00032M  Credits: 10  Term: 1
Contact Hours: 9 two-hour Lectures and 2 one-hour seminars (20 contact hrs)
Module Organiser: Dr. A. Golinski

Overview:

The module will cover techniques for asset allocation and related portfolio management issues. It shows how the theory that is developed in “Theory of Finance” is applied in the practice of asset management. The course content stays close to the syllabus of professional qualifications such as those provided by the CFA. The level of mathematics is kept at a fairly basic level.

Aims:

This module aims to introduce students to the classical and modern theory of portfolio management. The content of the module is theoretical but practical applicability will be emphasised throughout.

Career:

This module will be of practical interest to students who are likely to find themselves in (or dealing with clients in) the fund management industry in their future career. It is, however, of wider practical and academic interest.

Contents include:
- Risk and diversification;
- Mean-Variance portfolio selection;
- Aggregating individual decisions: CAPM and APT;
- Behavioural finance
- Discounted dividend models
- Performance measurement.

Learning Outcomes:

After successful completion of this module students are able to
- Explain the different theories used in portfolio management;
- Apply these theories to basic portfolio management problems;
- Critically assess the different theories used in portfolio management.

Assessment:

There will be a two-hour unseen examination scheduled at the start of the Spring Term.
Pre-requisites:

None

Main Reference: