

Identification	Subject (code, title, credits)	FIN 420 Investment Management-3KU/6ECTS
	Department	Economics and Management
	Program	Graduate
	Term	FALL 2026
	Instructor	Tural Gasimov
	E-mail:	gasimov.tural@khazar.org
	Classroom/hours	Mehseti Str. 41, Saturdays 18:30 - 21:00, Room 301NB
	Office hours	
Prerequisites	FIN 310 Financial Management	
Language	English	
Compulsory/Elective	Compulsory	
Required textbooks and course materials	Core Textbooks - Bodie, Zvi, Alex Kane, and Alan J. Marcus, <i>Investments</i>, 13th Edition, McGraw-Hill, 2023. - Rosenbaum, Joshua, and Joshua Pearl, <i>Investment Banking: Valuation, LBOs, M&A, and IPOs</i>, 3rd Edition, Wiley, 2020. Supplementary Textbooks - Elton, Edwin J., Martin J. Gruber, Stephen J. Brown, and William N. Goetzmann, <i>Modern Portfolio Theory and Investment Analysis</i>, 9th Edition, Wiley, 2014.	
Course outline	This course examines advanced theories and methodologies of investment decision-making and financial asset management. It covers modern portfolio theory, asset pricing models (CAPM and APT), financial market dynamics, the efficient market hypothesis, behavioral finance, performance evaluation, and asset valuation. Practical applications include three-statement financial modeling, DCF valuation, and case-based analysis of private equity, M&A, and hedge fund strategies. The course also introduces the application of artificial intelligence (AI) tools to financial analysis, valuation, and investment decision-making.	
Business Case	Business Case Evaluation The course incorporates a Harvard Business School case study designed to apply core concepts in valuation and mergers and acquisitions (M&A) to a real-world business context. Students are required to undertake a structured analysis of the case, develop supporting valuation models, and formulate evidence-based investment and strategic recommendations. Written Analysis and Financial Modeling : 10% Students will prepare a written case analysis supported by Excel-based financial and valuation models. The assessment evaluates the rigor and depth of the analysis, the quality and consistency of the valuation methodology, the appropriateness of underlying assumptions, and the clarity and coherence of the resulting conclusions and recommendations. Group Presentation : 10% Students will present their findings and recommendations as a group. The assessment focuses on the effective communication of analytical results, the ability to synthesize complex financial and strategic considerations, teamwork, and the ability to critically defend key assumptions, valuation outputs, and investment recommendations.	
Course objectives	This course develops advanced skills in investment analysis, portfolio management, and business valuation. Students will apply concepts of risk and return, portfolio construction, financial modeling, and DCF valuation to private equity, M&A, and hedge fund cases, while leveraging artificial intelligence (AI) tools for financial analysis and investment decision-making. A real-world group project integrates these concepts in an applied investment analysis.	
Learning outcomes	By the end of the course, students will be able to: - Analyze financial markets, securities, risk, and return. - Construct and evaluate investment portfolios. - Apply asset pricing models, including CAPM and APT. - Develop and interpret three-statement financial models and DCF valuations. - Evaluate investment strategies in private equity, M&A, and hedge funds.	

	Conduct and present a comprehensive valuation of a real company in a team setting.
--	--

Teaching methods	Lecture		x
	Group discussion		x
	Experiential exercise		x
	Case analysis		x
	Simulation		x
	Course paper		x
	Others		x
Evaluation	Methods	Date/deadlines	Percentage (%)
	Midterm Exam		30
	Activity		5
	Attendance		5
	Business Case (Write-up)		10
	Business Case (Presentation)		10
	Final Exam		40
	Total		100
Policy	General policy: To come to class on time, to be attentive and engaged in class, to refrain from using laptops, cell phones and other electronic devices during class, to spend an adequate amount of time on the homework each week, making an effort to solve and understand each problem, to engage with both the abstract and computational sides of the material. We will devote one entire session to the case discussion. The instructor's role during a case discussion is that of a moderator. When the cases are discussed, we are less concerned with "right" or "wrong" answers than we are with thoughtful contributions which follow the discussion and either add to the debate or move it in a new direction. Generative AI Policy: Students may use GenAI tools to generate and refine ideas in this course. All tools and their purposes must be disclosed in accordance with Section 8. Students are responsible for verifying AI-generated content, and the final submission must reflect their independent thinking, critical analysis, and original contribution.		

Tentative Schedule			
Week	Date/Day (tentative)	Topics	Textbook/Assignments
1		The Investment Environment	BKM Ch 1-2
2		How Securities Are Traded	BKM Ch 3 -4
3		Risk, Return, and the Historical Record	BKM Ch 5
4		Portfolio Theory, Part 1: Setting Up the Problem	BKM Ch 6-7
5		Portfolio Theory, Part 2: Multiple Risky Assets	BKM Ch 8,
6		The CAPM and APT, Part 1: Theory	BKM Ch 9-11
7		The CAPM and APT, Part 2: Applications and Tests.	BKM Ch 10-11
8		Behavioral Finance and Technical Analysis	BKM Ch 12
9		Midterm Exam	
10		Introduction to Business Valuation	Rosenbaum, Ch 1
11		3-Statement Modeling	Rosenbaum, Ch 2
12		DCF Valuation Modeling	Rosenbaum, Ch 3
13		Introduction to PE and M&A	Rosenbaum, Ch 4-5
14		Group Project Presentation	
15		Hedge Funds and Proprietary Trading Business Case	Additional Reading
		Final Exam	

