

Identification	Subject (code, title, credits)	FIN 420 Investment Management-3KU/6ECTS
	Department	Economics and Management
	Program	Undergraduate
	Term	FALL 2022
	Instructor	Tural Gasimov
	E-mail:	gasimov.tural@khazar.org
	Classroom/hours	Mehseti Str. 41, Friday 08:30-11:50, Room 301NB
	Office hours	
Prerequisites	FIN 310 Financial Management	
Language	English	
Compulsory/Elective	Compulsory	
Required textbooks and course materials	<p>Core textbook: Bodie, Zvi, Alex Kane, and Alan J. Markus, <i>Investments</i>, McGraw Hill, 2017 (11th Edition)</p> <p>A. Damodaran, <i>Investment Valuation: Tools and Techniques for Determining the Value of Any Asset</i>, Wiley Pub, 3rd Edition,</p> <p>Supplementary textbook: CFA I Curriculum, <i>Corporate Finance and Portfolio Management</i>, Wiley Pub, 2018</p> <p>John C. Hull, <i>Options, Futures, and Other Derivatives</i>, 8th edition, Pearson Ed, 2012 (or later)</p>	
Course outline	The focus of this course is on financial theory and empirical evidence for making investment decisions. Topics include: portfolio theory; equilibrium models of security prices (including the capital asset pricing model and the arbitrage pricing theory); the empirical behavior of security prices; market efficiency; performance evaluation; and behavioral finance.	
Course objectives	The objective of this course is to: <ul style="list-style-type: none"> •provide an overview of institutional details linked to financial markets and the trading process •provide an overview of historical trends and innovations in financial instruments and trading processes •provide an overview of various financial instruments •provide insight into the use of finance theory in investment management •provide a guide to the measurement and analysis of risk of financial investments •provide a guide to the measurement of performance of fund management •address key issues in risk management. 	
Learning outcomes	The goal of this course is to engage students in active discovery of Investment management principles. Students will be prepared to function in a business environment, developing an awareness of the challenges, the tools, and the process of designing and implementing an investment management program.	
Teaching methods	Lecture	X
	Group discussion	X
	Experiential exercise	X
	Case analysis	X

Evaluation	Simulation		x
	Course paper		x
	Others		x
	Methods	Date/deadlines	Percentage (%)
	Midterm Exam		30
	Activity		5
	Attendance		5
	Business Case		10
	Presentation		10
Policy	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.		
	Presentation -An academic presentation is an effective task that develops a student's communication skills. They later use these skills in their professional and personal lives in the future after studies. Shy students might struggle with talking in front of an audience but learning about the true power of speech will help them overcome their fears. Students supposed to present given group project. Group Project grading will be based on the quality of the analysis, as well as the ability to present the results of the analysis		
	Business Case - There will be one Harvard business case in order to combine theoretic concepts with real world cases. Students expect to make write-up as well as present results. Case will focus on quantitative RM, mainly market, credit, liquidity risks as well as Basel accords.		

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		The Fixed Income Market	BKM Ch 14-15
11		Futures, Swaps, Caps/Floors, Swaptions, and Other Derivatives	BKM Ch 22, 23

12		Group Project Presentation	
13		Security Analysis and Stock Selections	BKM Ch 17-19
14		Active Portfolio Management	BKM Ch 26-27
15		Hedge Funds and Proprietary Trading Introduction to Alternative Investments & PE. Business Case	Additional Reading Additional Reading
		Final Exam	

