BCOM 433: INVESTMENT ANALYSIS AND PORTFOLIO MANAGEMENT

1. The investment environment
   * Investment defined.
   * Distinction between investment, speculation and gambling.
   * Investment objectives.
   * The investment process.
   * Role of financial markets in the economy.
   * Markets and market structures.
   * Emerging trends in investment.
2. Introduction to risk and return.
   * Measuring return- the holding period return.
   * Measuring risk- variance and standard deviation.
3. Introduction to portfolio management
   * The Markowitz portfolio theory.
4. Introduction to asset pricing models
   * The capital asset pricing model.
   * The Arbitrage pricing model
5. Bond Fundamentals.
6. The derivative securities
   * Introduction to derivative securities.
   * Foward and futures contracts.
   * Option contracts.
   * The black scholes option pricing model.
   * Protective puts
   * The put- call parity relationship.
7. Investment strategies
   * Active vs. passive investment strategies.