



DEPARTMENT OF ECONOMICS

NEK308 Portfolio Investment, 7.5 credits

Portföljteori, 7,5 högskolepoäng

First Cycle

Confirmation

This course syllabus was confirmed by Department of Economics on 2019-08-07 and was last revised on 2021-01-17 to be valid from 2021-01-18, spring semester of 2021.

Field of education: Social Sciences 100%

Department: Department of Economics

Position in the educational system

The course is a 7.5 ECTS advanced course in economics within the first-cycle level.

The course can be part of the following programmes: 1) Programme in Business and Economics (S1HEP), 2) Programme in Business and Economics (S1HEG) and 3) Bachelor's Programme in Business and Economics (S1EKA)

Main field of studies

Economics

Specialization

G2F, First cycle, has at least 60 credits in first-cycle course/s as entry requirements

Entry requirements

Admission to the course requires a minimum of 60 credits of Economics, of which at least 45 credits have obtained a passing grade. Required is also a course in Econometrics, 7.5 credits, or 15 credits completed in Statistics.

Learning outcomes

On successful completion of the course the student will be able to:

1. understand and be able to describe the basic mathematical and statistical methods commonly used by portfolio managers to value financial securities, including the valuation of both capital securities and derivative securities.

2. understand and be able to describe important techniques commonly used by portfolio managers in the pursuit of various investment strategies, including techniques to reduce portfolio risk and measure portfolio performance.
3. demonstrate insight into the application of the methods and techniques used by portfolio managers for purposes of better understanding modern portfolio management and modern risk management practices.

How overall learning goals of the bachelor's degree are related to the learning outcomes of the course:

Overall learning goals	Learning outcomes
Knowledge and understanding	1+2+3
Skills and abilities	1+2
Judgement and approach	2+3

Course content

The overall objective of the course is to give an introduction to basic portfolio theory, including CAPM and APT analysis, and its use for evaluating portfolio performance. It is also an introduction to the valuation of derivative instruments, including options, forward contracts, futures contracts, and swaps, and their various uses for hedging and speculation purposes. The course includes detailed exercise sets and computer labs involving internet data collection and computer analysis that should give the students the practical abilities to apply portfolio investment theory in order to analyze investment opportunities and conduct portfolio management.

Form of teaching

The content of the course is presented mainly at lectures and in group exercises. A large part of the knowledge acquisition on the course is done through own work by the student.

Language of instruction: English

Assessment

All learning outcomes are assessed through a written exam, laborations and seminars. A student who fails to attend when attendance is mandatory will need to make up for this through a special written assignment.

If a student, who has failed the same examined element on two occasions, wishes to change examiner before the next examination session, such a request is to be submitted

to the department in writing and granted unless there are special reasons to the contrary (Chapter 6, Section 22 of Higher Education Ordinance).

In the event that a course has ceased or undergone major changes, students are to be guaranteed at least three examination sessions (including the ordinary examination session) over a period of at least one year, though at most two years after the course has ceased/been changed. The same applies to work experience and VFU, although this is restricted to just one additional examination session.

Grades

The grading scale comprises: Excellent (A), Very good (B), Good (C), Satisfactory (D), Sufficient (E) and Fail (F).

Course evaluation

Course evaluation is done digitally and anonymously via the course website in connection to a lecture on the course. Students can also fill in the survey at a later date.

The survey material is compiled and the results from the course evaluation and proposals for possible improvement measures are discussed at the course committee meeting. After the course evaluation is completed, the result will be published at the course homepage.

If a change of course is done based on the course evaluation, this will be communicated at the course introduction for the upcoming student group.

Additional information

1. Transitional rules: The course replaces the sub-course "Portfolio Investment, 7.5 ECTS" within the course block "NEG300".
2. Limitations: The course may not be included in the same degree as the sub-course "Portfolio Investment, 7.5 ECTS", which is part of NEG300, NE0300, as well as HNF635.