

The Hashemite University
Faculty of Economics and Administrative Sciences
Department of Banking and Financial Sciences
Portfolio Management / 1802041411
Second-Semester 2018-2019

Course Syllabus

Prerequisite Course

Title/Number : Investment Management / 110204312

Contact Information

Instructor : Dr. Mohammad Q.M. Momani

Office hours : Sunday to Thursday 11:30 - 12:30

Office location : Faculty of Economics & Administrative Sciences - Department of
Banking & Financial Sciences - 3rd floor - Room 317

email : MohammadQ_Mo@hu.edu.jo

Course Description

The objective of this module is to immerse the student in the process of portfolio management. The module covers the main concepts such as: Valuation, risk, return, and uncertainty, efficient diversification, single and multifactor asset pricing theories, equity players, bond selection, portfolio management styles and performance measurement that are at the core of managing investment portfolios. The module is specifically designed for students with an interest in becoming portfolio managers.

Learning Objectives

By the end of this module students should be able to

- Understand the security valuation principles.
- Acquire a critical understanding of the centrality of efficient diversification in portfolio management.

- Acquire a theoretical background for asset pricing theories.
- Understand equity and bond portfolio management strategies.
- Evaluate the performance of investment portfolios

Required Material

Lecture notes and required readings will be posted on the course website in advance. These notes are not a complete record of what I discuss in class, but serve as an outline for developing the concepts while still requiring active learning. Please note that I will occasionally update previous lecture notes for corrections and clarifications. In addition, I will provide sample questions following every lecture. These are not to be turned in, but I highly recommend you to work on them.

Text Book

Strong, Robert A., 2008, "Portfolio Construction, Management, and Protection", 5th Edition, Cengage Learning, USA.

Assessment

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|---------------------|------------|
| First Exam | : 25 marks |
| Second Exam | : 25 marks |
| Assignments | : 5 marks |
| Class Participation | : 5 marks |
| Final Exam | : 40 marks |

Assignments

There will be two assignments. The assignments must be completed individually. You are allowed to talk to and discuss the assignments with other classmates, but the work has to be completed separately. No late submission will be accepted.

Class Participation

You are expected to attend lectures, ask questions, and participate in the discussions. At the end of the term, I ask you to self evaluate your class participation on a scale from 0 (poor) to 5 (excellent), and justify your choice in three to five sentences. Please don't be shy, I expect you to give yourself a very high score. I do, however, reserve the right to disagree with your self-evaluation.

Course Policies

- Please turn off any sounds on phones before class. I strongly discourage the use of your phone during class for anything unrelated to the lecture. Do not distract the students around you with your activities.
- No late assignments or make up test accepted without prior approval and/or documentation.

Course Outline

- Chapter 1 : "The process of portfolio management"
- Chapter 2 : "Valuation, risk, return, and uncertainty"
- Chapter 5 : "The mathematics of diversification"
- Chapter 6 : "Why diversification is a good idea?"
- In class Material : "Readings in asset pricing"
- Chapter 8 : "The capital markets and market efficiency"
- Chapter 9 : "Picking the equity players"
- Chapter 12 : "Bond pricing and selection"
- Chapter 19 : "Performance evaluation"

All information contained within this syllabus is subject to change.