## COE 3114 INVESTMENT AND PORTFOLIO MANAGEMENT (3 CU)

**Course Description:**

This course addresses investment analysis and portfolio management issues, risk and return, capital and money markets, and the theory of efficient markets i.e efficient market hypothesis.

**Objectives or Aims**

The course is designed to enhance a student’s understanding of the theory of investment and portfolio management, make analysis of risk–return relationship, and understand operations of financial and capital markets together with the theory of efficient market hypothesis. Students will also be able to carry out environmental and situational analysis before making any investment decision.

**Learning Outcomes**

Upon completion of this course, students will be able to complete the following key tasks:

* Describe the portfolio management policy and determination of a portfolio management policy,
* Discuss the relationship between risk and return especially for a two- asset portfolio
* Describe operations of financial and capital markets
* Discuss the theory of efficient market hypothesis
* Carry out an environmental and situational analysis.

**Intellectual, practical and transferable skills**

* Problem solving skills
* Team work
* Analytical Skills

**Teaching and Learning Patterns**

* Use of case studies
* class discussions
* straight lecture
* Group presentations

**Indicative Content**

The course content will include; investment and portfolio analysis, the role of a finance manager and investment decision, financial markets, modern portifolio theory, Risk – return analysis for a two- asset portifolio and risk minimization through diversification, Capital markets and efficient market hypothesis such as the weak form, semi-strong form and the strong form , environmental/situational analysis

**Assessment Method**

The assessment method is structured to include coursework and final examination. Coursework consists of assignments, presentations and tests.

Each course in the programme shall be assessed on the basis of course work and final examination represented as follows:

Course work assessment 30%

Final Examination 70%

100%

The minimum cumulative mark required to pass is 50%, is required to pass this unit. This includes course work and final examination. Each course in the programme is allowed a maximum of three hours for final examination.

**Indicative Sources**

* Frank Reilly (2002): Investment Analysis and Portfolio Management. 2nd edition
* Pike,R and Neale, B (1999): Corporate finance and investments: Decisions and strategies. 3rd edition prentice hall.