

**HONG KONG UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**INVESTMENT ANALYSIS**  
**FINA 521 L2**

Instructor:	V. Ravi Anshuman
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Class Hours	Wednesday 14:00 – 17:20 hrs
Class Venue	Room 4115a
Teach. Assistant	Xiang Yi (hkxy@ust.hk)

**Course Description:**

This course on investment analysis deals with the application of financial theory to (a) derive the optimal portfolio choice, (b) discuss portfolio management issues, (b) develop asset pricing models (CAPM, APT) and discuss associated empirical tests, (d) discuss the asset management industry, and (e) evaluate performance.

**Text book:** *Investments by Bodie, Kane and Marcus*, (McGraw Hill, 6E) is the recommended textbook for this course. Lecture notes and supplemental readings will also be vital for exam preparation. **BRING A CALCULATOR TO CLASS FOR ALL SESSIONS.**

**Course protocol:** Attending all the lectures is an absolute must. Since each session is worth approximately 14% of the course, I would have difficulty evaluating a student if he/she misses a class session.

**Course evaluation:**

In-class quizzes (best 3 out of 4)	45%
Class Participation (discussion of Assignments, Practice Problems)	5%
FINAL EXAM	50%

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100%

## BRIEF OUTLINE

Note: BKM:refers to Bodie, Kane, and Marcus (Investments, 5E)

No.	Date of Session	Topic	Reading (BKM)	Practice Problems (BKM)
1	April 4	Introduction, Basics of Portfolio Management	Ch. 6, 7, Chow & Riley	Ch. 6: 2,5,6-10,12, 13-15, Ch. 7: 6,8,9
2	April 18	Optimal Portfolio Choice <i>+ QUIZ # 1</i>	Ch. 8	Ch.7: 11,13, 20-23 Ch.8: 10,12, 14, 18-21, 26,27
3	April 25	Applications of Portfolio Theory, CAPM + <i>QUIZ # 2</i>	Ch. 9	Ch. 9: 3-12,28
4	May 2	Factor Models, APT	Ch. 10, 11	Ch. 10: 4-8, 12,17 Ch. 11: 1-5,11,18
5	May 9	Empirical Tests of Asset Pricing Models <i>QUIZ # 3</i>	Ch 13, Fisher & Statman	Ch. 13: 1-7,12,13
6	May 16	Asset Management Industry <i>QUIZ # 4</i>	Ch. 4, Tufano & Sirri, Economist	Ch. 4: 8,15,19
7	May 23	Performance Evaluation	Ch. 24, Marcus	Ch. 24: 1-8,15-17, 25
8	May 30	FINAL EXAM		