**FN-498 Investment Analysis and Portfolio Management**

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| Resource Person: | Saqib Farid |
| Email: | Saqib.farid@umt.edu.pk |
| Contact Hours: | To be shared in class |
| Office Address: | 3N/09 |
| Programme: | BS Accounting and Finance |
| Section: | A |
| Semester: | Spring 2023 |
| Course Pre-requisites: | / |
| Credit Hours: | 3 |
| Course Type: | On Campus |
| Venue/Day/Time: | Tuesday 12:30 – 3:15 |
| Course URL (if any): | / |

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| **Course Description:** |
| The goal of teaching this subject is to provide a good understanding of financial decision making process by looking into multiple investment opportunities. From time to time, the managers of all the businesses often find themselves facing investment decisions. The purpose of this subject is to cover the number of factors combine to make investment decision possible. |

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| **Course Teaching Methodology:** |
| List of methodologies that will be used in the class –example are given below   * Interactive Classes * Case based teaching * Class activities * Applied Projects |

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| **Programme Educational Objectives (POs):** | |
| PO-1 | Critical Thinking and Decision Making |
| PO-2 | Effective Communication Skills |
| PO-3 | Ethics and Sustainability |
| PO-4 | Core Business Knowledge and Competence |
| PO-5 | Effective Teamwork and Leadership Skills |
| PO-6 | Industry Focus |
| PO-7 | Global Perspective (Internationalization) |
| PO-8 | Market Knowledge |
| PO-9 | Professional Track |

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| **Programme Learning Outcomes (PLOs):**  **After completing this degree programme, students shall be able to:** | | |
|  | | **Mapping the PLOs with POs** |
| PLO-1 | Graduates must be able to use analytical and reflective thinking techniques to identify and analyze problems, develop viable alternatives, make effective decisions and apply appropriate quantitative and qualitative techniques in solving business problems. | PO-1 |
| PLO-2 | Graduates must be able to draft effective business documents and prepare and deliver effective oral business presentations using a variety of appropriate technologies. | PO-2 |
| PLO-3 | Graduates must be able to identify and analyze ethical conflicts and sustainability issues involving different stakeholders in order to develop viable alternatives and make effective decisions relating to business ethics and sustainability. | PO-3 |
| PLO-4 | Graduates must be able to demonstrate competency in the underlying concepts, theory and tools taught in the core undergraduate curriculum. | PO-4 |
| PLO-5 | Graduates must be able to work effectively in teams and understand group processes, leadership, conflict, power and culture in organizations. | PO-5 |
| PLO-6 | Graduates must be able to understand the dynamics of local industry and understand business as an integrated system and apply strategic planning tools to coordinate among the functional areas. | PO-6 |
| PLO-7 | Graduates must be able to identify and analyze relevant global factors that influence decision-making and develop viable alternatives and make effective decisions in an international business setting. | PO-7 |
| PLO-8 | Graduates must be able to know, and work in financial markets and roles within current trends and practices at both operational and strategic levels. | PO-8 |
| PLO-9 | Graduates must be able to possess and reflect the required learning to be able to earn professional credentials in the area of Accounting and Finance including CA and ACCA. | PO-9 |
| PLO-10 |  |  |

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| **Course Objectives (COs)** | |
| CO-1 | To understand why Return & risk are the critical components of all investment decisions |
| CO-2 | To identify the importance & mechanism of money market and capital market securities for investment decisions |
| CO-3 | To distinguish between the direct & indirect investment opportunities |
| CO-4 | To understand how the securities are traded |
| CO-5 | To recognize the modern portfolio theory |
| CO-6 | To understand the valuation of securities for investment analysis purpose |
| CO-7 | To understand investment practices in global environment |
| CO-8 | To understand the importance of ethical guidelines for sustainable investments |

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| **Course Learning Outcomes (CLOs):**  **After completing this course, students shall be able to:** | | |
|  | | **Mapping the CLOs with PLOs** |
| CLO-1 | the purpose of Investments Decisions | PLO-1, PLO-4, PLO-9 |
| CLO-2 | the purpose of Portfolio Management | PLO-1, PLO-2, PLO-4, PLO-9 |
| CLO-3 | Investment Analysis Process | PLO-1, PLO-2, PLO-6, PLO-8,PLO-9 |
| CLO-4 | The structure of Portfolio Management | PLO-1, PLO-2, PLO-4, PLO-5, PLO-9 |
| CLO-5 | Global Investments | PLO-1, PLO-2, PLO-7, PLO-9 |
| CLO-6 | Sustainable Projects | PLO-1, PLO-3, PLO-5, PLO-9 |

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| **Assurance of Learning and Assessment Items:**  *Specify Assessment Items that will assure student learning through application and achieve objectives of specific PLOs / COs / CLOs* | |
| **Assessment Item** | **Application/ Objectives**  **PLO / CO / CLO** |
| Class activities / Presentations / Assignments | **PLO-1, PLO-2, PLO-4, PLO-5, PLO-6, PLO-7, PLO-8, PLO-9** |
| Project | **PLO-1, PLO-3, PLO-4, PLO-5, PLO-8, PLO-9** |
| Mid Term Examination | **PLO-1, PLO-4, PLO-6, PLO-7, PLO-8, PLO-9** |
| Final Term Examination | **PLO-1, PLO-4, PLO-6, PLO-7, PLO-8, PLO-9** |

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| **Assessment Structure and Grading Policy\*:** | | |
| **Assessment Item** | **Weight (%)** | **Execution Plan** |
| Class activities / Presentations / Assignments | 20 | Spread out during the semester |
| Project | 20 | To be conducted at the end of the semester |
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| Mid-term exam | 25 | One-time assessment |
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| Final exam | 35 | One-time assessment |
| **Total** | **100** |  |
| **Notes – Norms and Important Class Policies:**  *(such as submission guidelines, academic honesty, make-up policy, code of conduct)*   * Students are responsible to make every attempt to be on time, attend classes, keep their mobile phones on silent mode or airplane mode during classes * Students should read their emails regularly for any class related updated * Students are required to maintain 80% attendance in the course or they will received SA grade * The results of activities, midterms and assignments are communicated to the participants during the semester rand they need to share any concerns timely with the instructor * Any participant found using unfair means or assisting another participant during a class test/quiz, assignments or examination would be liable to disciplinary action. * UMT –LMS (Moodle) is an Open Source Course Management System (CMS), also known as a learning Management System (LMS). Participants should regularly visit the course website on MOODLE Course Management system, and fully benefit from its capabilities. If you are facing any problem using moodle, visit http://oit.umt.edu.pk/moodle. For further query send your queries to moodle@umt.edu.pk | | |

*\*Rubrics for all assessments (including mid and final exams) will be provided separately to the students.*

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| **Weekly Sessions Plan:** | | | |
| **Week** | **Topics / Contents** | **Activity** | **Application/Objectives**  **PLO / CO / CLO** |
| 1 | Understanding Investments & Investment Alternatives   * Why investment decisions are important? * Investment Decision Process * Individual Investors Vs. Institutional Investors * Financial Markets | Assignment | PLO-1, PLO-4, PLO-8, PLO-9, CO-3, CO-5, CLO-1, CLO-2, CLO-3 |
| 2 | **Understanding Investments & Investment Alternatives II**   * Fundamental analysis * Money Market Securities * Fixed Income Securities * Equity Securities * Derivative Securities * Mutual Fund Investment * Direct & Indirect Investment | Assignment | PLO-1, PLO-4, PL0-6, PLO-7, PLO-8, PLO-9, CO-2, CO-3, CO-4, C0-5, CLO-1, CLO-2, CLO-3 CLO-4 |
| 3 | Investment Risk & Returns   * Components of Return * Sources & Types of Risks * Measuring Risk * Realizing Risk & Returns from Investing * Managing & Diversifying the Risk | Class Activity | PLO-1, PLO-4, PLO-9, CO-1, CLO-1, CLO-2, CLO-3 CLO-4 |
| 4 | Investment Valuations & Analysis   * Passive & Active Strategies * Fundamental & Technical Analysis * Equity Securities Valuation & Analysis * Fixed Income Securities Valuation & Analysis | Class Activity | PLO-1, PLO-2, PLO-4, PLO-9, CO-6, CLO-1, CLO-2, CLO-3 CLO-4 |
| 5 | Investment Valuations & Analysis II   * **Sector & Industry Analysis** * **Economy & Market Analysis** * **Efficient Market Hypothesis** * **Economic Value Added** | Presentations | PLO-1, PLO-2, PLO-4, PLO-9, CO-6, CLO-1, CLO-2, CLO-3 CLO-4 |
| 6 | Portfolio Investments   * Why Portfolios? * Types of Portfolio * Portfolio Risk & Return * Analyzing Portfolio Risk | Presentations | PLO-1, PLO-2, PLO-4, PLO-8-PLO-9, CO-5, CO-6,CLO-1, CLO-2, CLO-3 CLO-4, CLO-5, |
| 7 | Portfolio Investments II   * Multi Securities Portfolios * Selection of Portfolio * How to build up an efficient Portfolio? * Portfolio Theories | Various | PLO-1, PLO-2, PLO-4, PLO-8-PLO-9, CO-5, CO-6,CLO-1, CLO-2, CLO-3 CLO-4, CLO-5 |
| 8 | Mid Term Examination | Exam |  |
| 9 | Stock Market Investments   * Importance of Financial Markets * Primary & Secondary markets * Equity, Debt & Derivative Markets * Stock Market Indexes * Importance of Financial Markets * Primary & Secondary markets * Equity, Debt & Derivative Markets * Stock Market Indexes | Portfolio Simulation | PLO-1, PLO-2, PLO-4, PLO-9, CO-2, CO-3, CO-4,CO-5, CO-6, CO-7, CLO-1, CLO-2, CLO-3 CLO-4, CLO-5 |
| 10 | Mutual Fund Investments   * Fundamental concepts * Benefits of Investing in Mutual Funds * Role of Fund Managers * Open End & Closed End Mutual Funds | Class Activity | PLO-1 PLO-3, PLO-4, PLO-5, PLO-6, PLO-7, PLO-8, PLO-9, CO-7, CO-8, CLO-5, CLO-6 |
| 11 | Mutual Fund Investments II   * Money Market Funds * Fixed Income Funds * Balanced Funds * Equity Funds * Islamic Funds * Fund of Funds * Pension Funds | Various | PLO-1 PLO-3, PLO-4, PLO-5, PLO-6, PLO-7, PLO-8, PLO-9, CO-7, CO-8, CLO-5, CLO-6 |
| 12 | Evaluation of Investment Performance   * Why to evaluate performance? * Risk-adjusted performance measures * Monitoring Performance * Performance Attribution * Problems with Portfolio Performance | Class Activity | PLO-1 PLO-4, PLO-9, CO-2, CO-4, CO-6, CLO-1, CLO-2, CLO-3 CLO-4 |
| 13 | Investment Perspective in Global Environment   * Global Investment Regulators * General overview of Rules & Regulations Foreign Investment in Pakistan * Investment in Global Capital Markets * Investment in International Mutual Funds | Class Activity | PLO-1 PLO-4, PLO-9, CO-2, CO-4, CO-6, CLO-1, CLO-2, CLO-3 CLO-4 |
| 14 | Sustainable Investments & Ethical Practices   * Opportunities and options available for Sustainable Investments * Ethical Guidelines in Investment decisions | Various | PLO-3, PLO-3, PLO-5, PLO-8, PLO-9, CO-7, CO-8, CLO-6 |
| 15 | Revision of the course | Viva |  |

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| **Primary Text Book (s):** |
| * Investments by Bodie, Kane Marcus |

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| **Reference / Supplementary Reading (s):** |
| * Essentials of Investment by Bodie, Kane Marcus * Investment Analysis & Management by Charles P. Johns |

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| **Useful Online / Web Resources:** |
| * <https://www.psx.com.pk/> * https://www.khistocks.com/ |