Liverpool John Moores University

Title:	PORTFOLIO ANALYSIS AND MANAGEMENT
Status:	Definitive
Code:	**6506AE** (116092)
Version Start Date:	01-08-2011
Owning School/Faculty:	Liverpool Business School
Teaching School/Faculty:	Isle of Man International Business School

Team	Leader
Alex Watt	Y

Academic Level:	FHEQ6	**Credit Value:**	12.00	**Total Delivered Hours:**	28.00
Total Learning Hours:	120	**Private Study:**	92		

Delivery Options

Course typically offered: Semester 2

Component	Contact Hours
Lecture	13.000
Tutorial	13.000

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Exam	AS1	Unseen examination	50.0	2.00
Essay	AS2	Presentation with essay.	50.0	

Aims

To provide students with the theory and applications of portfolio analysis, management and performance evaluation.

Learning Outcomes

After completing the module the student should be able to:

1	Identify existing instruments and organized markets and evaluate the appropriate use of each instrument type
2	Develop and apply portfolio formation techniques
3	Employ appropriate methods of asset valuation and asset allocation to major asset classes and to evaluate the empirical support for each methodology
4	Evaluate investment portfolio performance
5	Apply formal models to complex phenomena to a stated aim and to appraise the validity of the conclusion in the light of model assumptions and of relevant empirical evidence
6	Use Excel and other software such as EViews

Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

EXAM	1	2	3	4
ESSAY	5	6		

Outline Syllabus

Overview of portfolio analysis, management, and execution of portfolio decisions
Principles and practices of asset valuation and asset allocation
Optimal portfolio selection - the Markowitz portfolio selection problem
Active portfolio management - risk management, portfolio insurance and immunization, and monitoring and rebalancing
Equity portfolio management and measuring equity portfolio performance analysis
Portfolio management of bonds and measuring bond portfolio performance analysis
Using derivatives in equity and fixed-income portfolio management

Learning Activities

Lectures and tutorials.

References

Course Material	Book
Author	Reilly, F and Brown, K
Publishing Year	2000
Title	Investment Analysis and Portfolio Management
Subtitle	
Edition	
Publisher	7th edition, Dryden
ISBN	

Course Material	Book

Author	Elton, E, Gruber, M, Brown, S and Goetzmann
Publishing Year	2003
Title	Modern Portfolio Theory and Investment Analysis
Subtitle	
Edition	
Publisher	Wiley
ISBN	

Course Material	Book
Author	Solnik, B and McLeavey, D
Publishing Year	2003
Title	International Investments
Subtitle	
Edition	
Publisher	5th edition, Addison Wesley
ISBN	

Course Material	Book
Author	Bodie, Kane, and Marcus
Publishing Year	2009
Title	Investments
Subtitle	
Edition	
Publisher	7th edition, McGraw-Hill
ISBN	

Course Material	Book
Author	Fabozzi, F
Publishing Year	2004
Title	Fixed Income Analysis for the CFA Program
Subtitle	
Edition	
Publisher	2nd edition, Fabozzi Associates
ISBN	

Course Material	Book
Author	Copeland, T, Koller, T, Murrin, J, McKinsey and Co Inc.
Publishing Year	2000
Title	Valuation-Measuring and Managing Value of Companies
Subtitle	
Edition	
Publisher	3rd edition, Wiley
ISBN	

Course Material	Book
Author	Stowe, J, Robinson, T, Pinto, J and McLeavey, D
Publishing Year	2002

Title	Analysis of Equity Investments: Valuation
Subtitle	
Edition	
Publisher	AIMR
ISBN	

Course Material	Book
Author	Chance, D
Publishing Year	2003
Title	Analysis of Derivatives for the CFA Program
Subtitle	
Edition	
Publisher	AIMR
ISBN	

Notes

The module will build on students' knowledge and skills from levels 1 and 2.