Course description for Investments

1. 2008 Spring semester

2. Professor : Beom Joon Yu

3. Department : Business

4. Course Objective
   This course covers portfolio analysis, asset pricing models, and investment strategies. It uses both the lecture and the case method of instruction to develop a practical understanding of some of the more important financial instruments and markets. Security valuation and management of investment strategies are major themes present throughout the course. A fundamental objective of the course is to enable students to gain a robust familiarity with approaches that can be adapted to analysis of broad classes of financial assets and markets. Such skills are indispensable to investment analysis in an economic environment characterized by an unprecedented amount of financial innovation, both in the creation of new securities and in the development and evolution of financial institutions.

5. Class schedule
   - Week 1 : Investment Environment and Asset Class and Financial Instruments
   - Week 2 : Return and Risk from the Historical Record
   - Week 3 : Risk Aversion and Capital Allocation
   - Week 4 : Optimal risky Portfolios and Index Models
   - Week 5 : Capital Asset Pricing Model
   - Week 6 : Arbitrage Pricing Theory and Multifactor Models
   - Week 7 : Behavioral Finance and Empirical Evidence
   - Week 8 : Bond Price and Yields and Mid-term Exam
   - Week 9 : Term structure of Interest Rates
   - Week 10 : Managing Bond Portfolios
   - Week 11 : Macroeconomic and Industry Analysis
   - Week 12 : Equity Valuation Models
   - Week 13 : Financial Statement Analysis
   - Week 14 : Options and Futures Markets and Valuation
   - Week 15 : Portfolio Performance Evaluation and International Diversification
   - Week 16 : Overall Review and Final Exam