EF5550P: PORTFOLIO MANAGEMENT AND SECURITY ANALYSIS

Effective Term

Semester A 2025/26

Part I Course Overview

Course Title

Portfolio Management and Security Analysis

Subject Code

EF - Economics and Finance

Course Number

5550P

Academic Unit

Economics and Finance (EF)

College/School

College of Business (CB)

Course Duration

Non-standard Duration

Other Course Duration

Intensive mode: 3 days

Credit Units

1.5

Level

P5, P6 - Postgraduate Degree

Medium of Instruction

Other Languages

Other Languages for Medium of Instruction

Putonghua supplemented by English

Medium of Assessment

Chinese

Prerequisites

Nil

Precursors

Students are required to have solid knowledge of basic statistics, e.g., variance, covariance, and especially regression analysis.

Equivalent Courses

Nil

Exclusive Courses

Nil

Part II Course Details

Abstract

This course aims to develop students' ability to analyze the return generating process of assets including stocks and bonds and explore how various assets can be combined to form efficient portfolios in the mean-variance framework. In particular, this course intends to help students to develop their career as financial advisors or analysts. So, students are trained to apply what they learn during the course to financial problems in practice.

Course Intended Learning Outcomes (CILOs)

	CILOs	Weighting (if app.)	DEC-A1	DEC-A2	DEC-A3
1	Explain securities markets and investment companies.	25	x	x	x
2	Apply classical portfolio theory and integrate with risk attitude to form an efficient portfolio.	25	x	x	x
3	Identify and evaluate risk and return using standard asset pricing models.	25	x	x	x
4	Identify and evaluate fund performance and bond portfolio.	25	x	x	x

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

Learning and Teaching Activities (LTAs)

	LTAs	Brief Description	CILO No.	Hours/week (if applicable)
1	Lectures	Students will learn the key concepts about portfolio management and security analysis through interactive lectures.	1, 2, 3	
2	In-class discussions	Students will participate in in-class discussions to solidify the knowledge in regards to the course subject.	1, 2, 3	

3	Case analysis	Students will conduct case analysis to apply knowledge in use cases.	2, 3, 4	

Assessment Tasks / Activities (ATs)

	ATs	CILO No.	Weighting (%)	Remarks ("-" for nil entry)	Allow Use of GenAI?
1	In-class Discussion Quiz/Mid-term Exam Students need to participate actively in in-class activities such as case study, discussion, and quizzes.	1, 2, 3, 4	50	-	Yes
2	Individual Assignment Students will be assessed via the individual case analysis report their ability to apply subject-related knowledge.	1, 2, 3, 4	50	-	Yes

Continuous Assessment (%)

100

Examination (%)

0

Assessment Rubrics (AR)

Assessment Task

In-class Discussion, Quiz/Mid-term Exam (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion

Ability to apply the analysis, techniques, and economic concepts and theories outlined in the CILOs.

Excellent

(A+, A, A-) Strong evidence of knowing how to comfortably apply the analysis and techniques outlined in CILOs. Strong ability to apply economic concepts and theories to real-world cases and to analyze and formulate solutions.

Good

(B+, B, B-) Evidence of knowing how to comfortably apply the analysis and techniques outlined in CILOs. Able to apply economic concepts and theories to real-world cases.

Fair

(C+, C, C-) Some evidence of knowing how to apply the analysis and techniques outlined in CILOs. Able to apply economic concepts and theories to real-world cases in a fragmented way.

Marginal

(D) Passing familiarity with the analysis and techniques outlined in CILOs. Weak ability to describe economic concepts and apply theories fragmentarily (with incomplete, disconnected, and inconsistent parts).

Failure

(F) Little or no evidence of familiarity with the subject. Unable to describe economic concepts and unable to apply theories.

Assessment Task

Individual Assignment (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion

Ability to apply the analysis, techniques, and economic concepts and theories outlined in the CILOs.

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Failure

(F) Little or no evidence of familiarity with the subject. Unable to describe economic concepts and unable to apply theories.

Assessment Task

In-class Discussion, Quiz/Mid-term Exam (for students admitted from Semester A 2022/23 to Summer Term 2024)

Criterion

Ability to apply the analysis, techniques, and economic concepts and theories outlined in the CILOs.

Excellent

(A+, A, A-) Strong evidence of knowing how to comfortably apply the analysis and techniques outlined in CILOs. Strong ability to apply economic concepts and theories to real-world cases and to analyze and formulate solutions.

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Individual Assignment (for students admitted from Semester A 2022/23 to Summer Term 2024)

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Part III Other Information

Keyword Syllabus

Asset Classes, Costs of Trading, Mutual Funds, History of Interest Rates and Risk Premiums, The asset allocation question, Capital Asset Pricing Model (CAPM), The Index Model and CAPM, Multifactor models and Arbitrage Pricing Theory, Market Efficiency, Term Structure of Interest Rates, Investment Strategy and Performance Measures, Bond Portfolio.

Reading List

Compulsory Readings

	Title
1	滋维.博迪 (Zvi Bodie), 亚历克斯.凯恩 (Alex Kane), 艾伦J.马库斯 (Alan J.Marcus)著; 汪昌云, 张永骥译; 投资学(最新版); 机械工业出版社

Additional Readings

	Title
1	- Lecture notes, newspaper clippings and articles.