B.E. International Program

Faculty of Economics, Thammasat University

Course Outline

FN 312 Investments

Semester: 2/2021

Lecture Time: Tuesdays, 14.00 – 17.00 hrs.

Lecture Venue: Venue : TBA
Online: Zoom meeting link: https://zoom.us/j/5620196513

Instructor: Dr. Konpanas Dumrongwong
Email: konpanas@tbs.tu.ac.th
Office Hours: By appointment

Prerequisites: (1) FN201 and (2) MA216 and (3) BA204 or (ST211 and ST212) or (ST216 and ST217) or (ST218 and ST319)

Course Description and Objectives:

This course aims to provide the student with a deeper understanding and appreciation of the complex questions and tradeoffs facing any investor, along with the necessary theoretical background for critically evaluating alternative investment strategies and the modern literature on investments. The course is designed to provide a conceptual framework for analyzing investment decisions, and the course will entail the use of a number of different statistical tools, ranging from the notion of probability distributions through linear regression analysis.

Required Textbook and Recommended Readings:

[Required Textbook:]

Essentials of Investments, 11th Edition by Zvi Bodie and Alex Kane and Alan Marcus (ISBN: 9781260013924).

The book provides a comprehensive treatment of modern investment theory. We will not be able to cover the entire book in a single semester class. Additional readings will be assigned at the end of each lecture to complement the book. Some of these readings will be fairly technical and students are not expected to understand every detail. Students are also encouraged to keep abreast of daily events in the financial markets which are covered in the media to be discussed in class.

Course Evaluation:

Homework & Lab (25%), Participation & Quizzes (10%), Midterm Exam (35%), Final Exam (35%).

Students must take all exams and quizzes to pass the class. There will be no make-up exams without written documentation of an emergency such as hospitalization, military service.etc. Exams will not be rescheduled to facilitate holiday travel. Letter grades are final. Class attendance is required for the completion of the course.

Academic Integrity:

The rules of academic integrity will be strictly enforced and will not be tolerated under any circumstances. Please refer to the relevant Thammasat University's academic integrity guidelines.

Tentative Schedule

Session	Topics	Readings
#1: Week 1	Investment Environment, Financial Instruments, Index system, Securities Markets	BKM Ch 1-3
#3: Week 2	Introduction to Risk and Return	BKM Ch 5
#3: Week 3	Computer Lab: S&P500 Risk-Return	TBD
#4: Week 4	Risk Aversion and Asset allocation	BKM Ch 5
#5: Week 5	Optimal Risky Portfolios , Capital Asset Pricing Model	BKM Ch 6,7
#6: Week 6	Efficient Market Hypothesis	BKM Ch 8
TBD	Computer Lab: Portfolio Optimization	TBD
	Midterm Exam	
#8: Week 8	Fixed-Income Securities I: Basics & Valuation	BKM Ch 10
#9: Week 9	Fixed-Income Securities II: Bonds in Portfolio MGT	BKM Ch 11
#10: Week 10	Terms structure of Interest Rates	BKM Ch 12
#11: Week 11	Equity Valuation	BKM Ch 13
#12: Week 12	Futures Markets and Risk Management	BKM Ch 17
#13: Week 13	Options Valuation I	BKM Ch 16
#14: Week 14	Options Valuation II	BKM Ch 16
#15: Week 15	Computer Lab: Advanced Portfolio Optimization	TBD
TBD	Review	TBD
	Final Examination	