

	Subject title: INVESTMENTS			
Subject code:	Subject Status:	Semester:	Credit value:	Teaching load:
MBS/MO8	Compulsory	V	6	3L+2T

Study programme: Academic Undergraduate Studies: Financial Management
Responsible Staff: Assistant Professor Dragoljub Janković, PhD; Teaching Assistant: Aleksandar Konatar
Pre-requisite: Nil
Mode of study Lectures, tutorials, case-studies, seminar papers, simulations, group work, consultations
Assessment: Two written mid-term tests – problem-solving tasks are graded (20 points max. - 10 points min.) as well as mid-term tests (20 points max. - 10 points min.). The final exam carries 40 points and includes points with respect to student's active participation in lectures and tutorials (max. 10 points)
Objectives: Introduction to essential principles of investment into securities. Students will also be taught about portfolio management of the financial assets. Besides practical aspects, students will be informed about wide possibilities of investment on modern financial markets as well as the way of thinking of modern portfolio managers. Students will have an opportunity to acquire essential knowledge, skills and techniques in the field of investment analysis. Moreover, they will gain better understanding of the process of selection and creation, management and protection of investment portfolio. They will also master analytical tools which are of great help in the process of making major decisions regarding investment in conditions of risk. The content of the subject is related to the subject matter of certain scientific disciplines such as: Quantitative methods in finance, Business finance, Financial markets, Stock exchange operations, Investment banking and others.

SYLLABUS:

- Introduction to the subject matter
- The essentials and important aspects of investments; Investment funds
- Risk and return
- Efficient diversification
- Capital asset pricing model and arbitrage pricing theory
- Prices and bond returns
- Performance evaluation and active portfolio management
- Investors and investment processes

READING LIST AND REFERENCES:

- Mark Hirschey and John Nofsinger, *Investments: Analysis and Behavior*, McGraw Hill International Edition, 2010