

IB949-15 Investment Management

26/27

Department

Warwick Business School

Level

Taught Postgraduate Level

Module leader

Roman Kozhan

Credit value

15

Module duration

10 weeks

Assessment

25% coursework, 75% exam

Study location

University of Warwick main campus, Coventry

Description

Introductory description

This module is designed to provide students with a comprehensive understanding of the various facets of investment management, from understanding financial markets to mastering investment strategies.

Module aims

The module aims to provide students with an in-depth understanding of and key skills in:

1. The course investigates how to manage the trade-off between maximising expected return and minimising risk for portfolios of securities.
2. Issues to be considered include valuation of bonds and equities, selection of securities and optimal portfolio strategies through time, and portfolio performance measurement and attribution
3. Issues relating to the institutional details of trading in different asset classes will also be discussed.

While the theoretical underpinnings will not be neglected, the emphasis of the course will be on implementation of the theory i.e. investment management in practice.

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be

covered. Actual sessions held may differ.

- Introduction: Markets, "Players", Asset Classes
 - Bonds I: Prices, Yield, Duration and Convexity
 - Bonds II: Interest Rate / Credit Risk, Strategies
 - Equity: Valuation, Financial Statements
 - Factor Models
 - Portfolio Mgt I : Portfolio Construction (Mean-Variance Optimization)
 - Portfolio Mgt II: Market neutral portfolios
 - Trading, transaction costs and market microstructure
 - Performance Measurement / Attribution
 - International Investing
- The underlying importance of ethics in investment management will also be discussed.

Learning outcomes

By the end of the module, students should be able to:

- Demonstrate a deep understanding of the theory and practice of optimally combining securities into portfolios, institutional understanding of security markets, and some of the issues that a fund manager faces in putting theory into practice.
- Demonstrate knowledge of the theoretical and applied literature on modern portfolio management and investment analysis
- Demonstrate an understanding and recognition of the vital importance of portfolio construction and diversification of risk
- Critically evaluate the relevance and practical application of established paradigms and theories
- Critically appraise the concept of market efficiency and its implication for investment professionals.

Indicative reading list

[Reading lists can be found in Talis](#)

Subject specific skills

Explain issues pertaining to investment management

Demonstrate how better investment decisions can be made

Specify simple portfolio optimization problems considering the trade-offs between different measures of return and risk, as well as various constraints (e.g. pertaining to short-selling, transaction costs, diversification etc)

Perform basic data manipulations and analyses relevant to portfolio investing in statistical software such as STATA

Transferable skills

Written communication

Study

Study time

| Type | Required |
|---------------|------------------------------|
| Lectures | 10 sessions of 2 hours (13%) |
| Seminars | 9 sessions of 1 hour (6%) |
| Private study | 49 hours (33%) |
| Assessment | 72 hours (48%) |
| Total | 150 hours |

Private study description

Private study to include preparation for lectures, seminars and practical classes

Costs

No further costs have been identified for this module.

Assessment

You do not need to pass all assessment components to pass the module.

Assessment group D6

| Assessment component | Weighting | Study time | Eligible for self-certification |
|---|-----------|------------|---------------------------------|
| Submission of AmplifyMe Simulation results | 25% | 18 hours | Yes (extension) |
| Submission of AmplifyMe Simulation results, to be marked and graded, with 5% attributed to engagement/ participation, 10% - individual reflection on the AmplifyMe Simulation | | | |

Reassessment component is the same

| | Weighting | Study time | Eligible for self-certification |
|--|------------------|-------------------|--|
| Assessment component | | | |
| Centrally-timetabled examination (On-campus) | 75% | 54 hours | No |
| Written Examinations 2 hours | | | |

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- Answerbook Green (8 page)
 - Students may use a calculator

Reassessment component is the same

Feedback on assessment

Feedback via My.WBS

[Past exam papers for IB949](#)

Availability

Courses

This module is Core for:

- Year 1 of TIBS-N300 MSc in Finance