

Annex No. 3		First Cycle Studies Course Programme			
1.	Course Title	Securities Analysis and Portfolio Management			
2.	Code	FIN 320			
3.	Study programme	Finance			
4.	Organizer of the study programme (university unit i.e. institute, chair, department)	Ss. Cyril and Methodius University in Skopje Faculty of Economics - Skopje Department of Finance			
5.	Level (first, second, third cycle)	First cycle			
6.	Academic year / semester	3 rd year/ 6 th semester	7.	Number of ECTS credits	7.5
8.	Professor	Prof. Vladimir Filipovski, PhD			
9.	Preconditions for enrolment	None			
10.	<p>Course Objectives (Competencies):</p> <p>After completing this course, students will be able to learn and understand:</p> <ul style="list-style-type: none"> • Basic concepts of financial investments • Economic functions and institutional structure of the securities markets • Foundations of the portfolio theory • Expected utility function as a tool to analyze investor attitude toward risk • Portfolio diversification through construction of portfolios of securities • CAPM as a model for the relationship between security's return and systematic risk • Alternative securities models: index models, arbitrage pricing models. • Efficient Market Hypothesis • Basic tenets of the behavioral finance and its implications for securities valuation • Quantitative analysis and valuation of bonds • Quantitative analysis and valuation of equities • Pricing and use of option contracts as derivative instruments • Futures pricing and spot – futures price relationship • Portfolio management process: objectives, strategies and performance measurement. 				
11.	<p>Course contents:</p> <ul style="list-style-type: none"> • Basic concepts of financial investments • Securities markets – economic functions and market institutions • Portfolio theory and risk diversification <ul style="list-style-type: none"> ○ Expected utility function and risk/return indifference curve ○ Efficient portfolio frontier and risk diversification ○ Determining optimal portfolio • Securities market equilibrium models: <ul style="list-style-type: none"> ○ Capital Asset Pricing Model ○ Arbitrage pricing theory ○ Index model • Efficient market hypothesis and information efficiency of securities markets • Behavioral finance and deviations from informationally efficient markets • Bond valuation <ul style="list-style-type: none"> ○ Fundamental value of bonds ○ Bond yields ○ Bond duration ○ Bond ratings • Valuation of common stock <ul style="list-style-type: none"> ○ Fundamental value of an ordinary share ○ Discounted dividend valuation models 				

	<ul style="list-style-type: none"> ○ Valuation based on market price multipliers ○ Macroeconomic analysis ○ Industry analysis ○ Technical analysis • Option contracts <ul style="list-style-type: none"> ○ Pricing of options ○ Investment strategies with options • Futures contracts <ul style="list-style-type: none"> ○ Hedging and speculating with futures contracts ○ Spot – futures price relationship ○ Futures prices – expected spot prices ○ Stock index futures • The process of portfolio management <ul style="list-style-type: none"> ○ Investment objectives ○ Investment strategies ○ Portfolio management performance evaluation 				
12.	Learning methods: Lectures, slides, student projects and assignments.				
13.	Total hours	7.5 ECTS x 30 hours = 225 hours			
14.	Allocation of hours per activity	90+30+15+90= 225 hours			
15.	Types of teaching activates	15.1.	Lectures	90 hours	
		15.2.	Exercises (Seminars)	0 hours	
16.	Other types of activities	16.1.	Projects	30 hours	
		16.2.	Individual assignments	15 hours	
		16.3.	Homework study	90 hours	
17.	Grading method: 80+15+5=100 points				
	17.1.	Tests (Domain, Essay, Multiple choice exam, Case)	80%		
	17.2.	Individual or group projects / assessment	15%		
	17.3.	Attendance and class participation	5%		
18.	Grading scale	less than 50 points	5 (five) (F)		
		from 51 to 60 points	6 (six) (E)		
		from 61 to 70 points	7 (seven) (D)		
		from 71 to 80 points	8 (eight) (C)		
		from 81 to 90 points	9 (nine) (B)		
		from 91 to 100 points	10 (ten) (A)		
19.	Preconditions for taking the final exam	Completed activities from points 15 and 16			
20.	Language	Macedonian			
21.	Evaluation method	Internal evaluation and survey			
22.	Literature				
	22.1.	Compulsory literature			
		No.	Author	Title	Publisher
	1.	Bodie, Z., Kane, A., Markus, A. J.,	<i>Investments</i> 11th Edition	McGraw Hill Co.	2017

		2.	Reilly, F. K., Brown, K. C., Leeds, S. J.	<i>Investment Analysis and Portfolio Management,</i> 11th Edition	CENGAGE	2019
	22.2.	Additional literature				
		No.	Author	Title	Publisher	Year
		1.	Smart, S. B., Gitman, L. G., Joehnk, M. D.	<i>Fundamentals of Investing,</i> 12 th Edition	Pearson	2014
		2.	Elton, E. J., Gruber, M. J., Brown S. J., Goetzman, W. N.	<i>Modern Portfolio Theory and Investment Analysis,</i> 7 th Edition	John Wiley and Sons	2007
		3.	Maginn, J. L., Tuttle, D. L., McLeavey, D. W., Pinto, J. E.	<i>Managing Investment Portfolios,</i>	CFA Institute	2007