

Course Title (Code)	Investment Management 投資運用 (IBM314)	Instructor(s)	Dr. Paweł MŁODKOWSKI
		E-mail	mpawel@miu.ac.jp
Class Style	Interactive lecture	Office Hours	Tuesday 14:40-16:10, Wednesday 8:30-10:00
Track		Mode of Instruction	Lectures, multimedia presentation
Credits	2 credits	Allocated Year	3&4
Active Learning	Real life case studies analyzed by teams of students.	Compulsory or Elective	Elective
Course Overview	This course is designed to introduce students to the investment environment in the role of a private or professional investor.		
Course Objectives	<p>This course does not cover pricing, which is a major part of the Corporate Finance course. Instead, it emphasizes the use of pricing theory in investment management. It aims to:</p> <ul style="list-style-type: none"> • provide an overview of institutional details linked to financial markets and the trading process • provide an overview of historical trends and innovations in financial instruments and trading processes • provide an overview of various financial instruments • provide insight into the use of finance theory in investment management • provide a guide to the measurement and analysis of risk of financial investments • provide a guide to the measurement of performance of fund management • address key issues in risk management 		
Prerequisite	Corporate Finance		
Course Schedule	No	Contents	Homework
	1	Financial markets and instruments: money and bond markets.	Reading assignment #1
	2	Financial markets and instruments: equity markets.	Reading assignment #2
	3	Financial markets and instruments: derivative markets.	Reading assignment #3
	4	Financial markets and instruments: managed funds.	Reading assignment #4
	5	Financial markets and instruments: margin trading.	Reading assignment #5
	6	Financial markets and instruments: regulation of markets.	Reading assignment #6
	7	History of financial markets: historical and recent financial innovation.	Reading assignment #7
	8	History of financial markets: historical equity and bond market returns.	Reading assignment #8
	9	History of financial markets: equity premium puzzle.	Reading assignment #9
	10	Diversification: expected portfolio return and variance.	Reading assignment #10
	11	Diversification: definition of risk premium.	Reading assignment #11
	12	Diversification: asset allocation – two assets: mean-variance preferences; optimal asset allocation with a risk free asset.	Reading assignment #12
	13	Diversification: CARA utility and normal returns.	Reading assignment #13
	14	Diversification: portfolio frontier.	Reading assignment #14
15	Diversification: expected return relationships and estimation issues; statistics of asset allocation.	None	
Grading	<p style="text-align: right;">Quiz #1: 20% Quiz #2: 20% Quiz #3: 20% Final examination: 40% Total: 100%</p>		

Textbooks	Bodie, Z., A. Kane and A.J. Marcus Investments. (Boston, Mass.; London: McGraw-Hill Irwin)
References	
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