

1. Course title	Portfolio Theory
2. Course number	1603733
3. Credit hours	3 Hours
4. Pre-requisites	None
5. Program title	MBA in Finance, MA in Finance
6. Program code	031, 032
7. Awarding institution	The University of Jordan
8. School	Business
9. Department	Finance
10. Level of course	Master
11. Year of study and semester	2022-2023 First
12. Final qualification	None
13. Other departments involved	None
14. Language of instruction	English
15. Teaching methodology	<input checked="" type="checkbox"/> Face to face learning <input type="checkbox"/> Blended <input type="checkbox"/> Fully online
16. Electronic platforms	<input checked="" type="checkbox"/> Moodle <input type="checkbox"/> MS Teams <input type="checkbox"/> Other
17. Date of production/revision	9 October 2022

18. Course coordinator:

Dr. Tariq Alzoubi
t.alzoubi@ju.edu.jo
Office hours:
Monday 1:00 – 2:00
Tuesday 4:00 – 5:00
Wednesday 1:00 – 2:00

19. Other instructors

None

20. Course description

This course involves the advanced study of security analysis, security selection techniques, and portfolio management. After introducing the investment environment of a modern market and the financial instruments traded therein, the course goes in depth into the theoretical and practical interactions between risk and return. A great emphasis is given to building the theoretical background necessary to understanding investment portfolio construction and providing the intuition behind security analysis rules. The course also explains the notion of efficient market hypothesis and bond pricing dynamics and concludes by developing measures of portfolio performance.

21. Course aims and outcomes:

Aims: This Course aims to provide the concepts that are necessary to deal with portfolio management.								
Intended Learning Outcomes (ILOs): Upon successful completion of this course students will be able to								
Course Intended Learning Outcomes (CILOs)	Mapping to PILOs							
	1	2	3	4	5	6	7	8
A. Develop and evaluate measures of investment risk and return.								
B. Clarify and thoroughly analyze the concept of risk diversification in the context of portfolio construction theory.								
C. Explain how individual risk preferences can be incorporated into investor's investment decision.								
D. Introduce common security pricing models (namely, the Capital Asset Pricing Model (CAPM) and the Arbitrage Pricing Theory (APT)).								
E. Demonstrate the concept of market efficiency as it relates to security price informativeness.								
F. Analyze the relationship between the prices of debt instruments and market interest rates including the risks of investing in debt and evaluate the performance of a portfolio using relevant measures.								

22. Topics Outline and Schedule#:

Week	Lecture	Topic	Teaching Method	Evaluation Methods	References
1	1.1	Chapter 1: The Investment Environment Chapter 2: Asset Classes & Financial Instruments	*	See item 23	See item 26
2	2.1	Chapter 3: How Securities are Traded Chapter 5 Risk, Return, and the Historical Record	*	See item 23	See item 26
3	3.1	Chapter 6: Capital Allocation to Risky Assets	*	See item 23	See item 26
4	4.1	Chapter 7: Optimal Risky Portfolios	*	See item 23	See item 26
5	5.1	Chapter 7: Optimal Risky Portfolios	*	See item 23	See item 26
6	6.1	Chapter 8: Index Models	*	See item 23	See item 26
7	7.1	Chapter 9: The Capital Asset Pricing Model	*	See item 23	See item 26
8	8.1	Chapter 10: Arbitrage Pricing Theory and Multifactor Models of Risk and Return	*	See item 23	See item 26
9	9.1	Mid-term exam	*	See item 23	See item 26
10	10.1	Chapter 11: The Efficient Market Hypothesis	*	See item 23	See item 26
11	11.1	Chapter 13: Empirical Evidence on Security Returns	*	See item 23	See item 26
12	12.1	Chapter 14: Bond Prices and Yields	*	See item 23	See item 26
13	13.1	Chapter 15: The Term Structure of Interest Rates	*	See item 23	See item 26
14	14.1	Chapter 24: Portfolio Performance Evaluation	*	See item 23	See item 26
15	15.1	Chapter 24: Portfolio Performance Evaluation Revision	*	See item 23	See item 26
16	16.1	Final Exam period		See item 23	See item 26

* Synchronous lecturing/meeting

** Asynchronous lecturing/meeting

Are subject to change due to any special circumstances.

23. Evaluation Methods#:

Evaluation Activity	Mark	Topics	Period (Week)	Place
Course works [^]	30%	All	During the Term	To be announced
Mid-term Exam	30%	To be announced	6 December 2022 [#]	To be announced
Final Exam	40%	All	Final exams period	To be announced

Are subject to change due to any special circumstances.

[^] Course works include two or more of the following; participation, discussion, quizzes, oral quizzes, assignments, projects, or any type of assessment allowed by the regulations.

24. Course Requirements

Attending face-to-face classes, the textbook, calculator, and accounts on the electronic platforms used in this module.

25. Course Policies:

Attendance policy	Students are not allowed to miss more than 15% of the classes during the semester. Failing to meet this requirement will be dealt with according to the university disciplinary rules.
Absences from exams and handing in assignments on time	No make-up exam could be held.
Health and safety procedures	Based on the University disciplinary rules.
Honesty policy regarding cheating, plagiarism, misbehavior	Based on the University disciplinary rules.
Grading policy	Based on the Average.
Available university services that support achievement in the course	None.

26. References:

A. Required textbook:
Investments (2018), Bodie, Kane, Marcus 11th Edition, McGraw-Hill.

B. Material available on Moodle.

27. Additional information:

Will be announced via Moodle.

	Name	Signature
Course Coordinator	Dr. Tariq Alzoubi	
Head of curriculum committee/ Department		
Head of Department		
Head of curriculum committee/ School		
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Date	9 October 2022	