



## Course Specifications

<b>Course Title:</b>	<b>Principles of Investment</b>
<b>Course Code:</b>	<b>FIN320</b>
<b>Program:</b>	<b>Bachelors in Finance (BS)</b>
<b>Department:</b>	<b>Finance</b>
<b>College:</b>	<b>College of Business Administration</b>
<b>Institution:</b>	<b>Prince Sultan University</b>

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## A. Course Identification

<b>1. Credit hours:</b>	3
<b>2. Course type</b>	
a.	University <input type="checkbox"/> College <input type="checkbox"/> Department <input checked="" type="checkbox"/> Others <input type="checkbox"/>
b.	Required <input checked="" type="checkbox"/> Elective <input type="checkbox"/>
<b>3. Level/year at which this course is offered:</b>	5 <sup>th</sup> semester (Third year)
<b>4. Pre-requisites for this course (if any):</b>	FIN210, Fin 250
<b>5. Co-requisites for this course (if any):</b>	NA

### 6. Mode of Instruction (mark all that apply)

No	Mode of Instruction	Contact Hours	Percentage
1	Traditional classroom	40	89%
2	Blended	5	11%
3	E-learning		
4	Distance learning		
5	Other		

### 7. Contact Hours (based on academic semester)

No	Activity	Contact Hours
1	Lecture	45
2	Laboratory/Studio	
3	Tutorial	
4	Others (specify)	
	<b>Total</b>	45

## B. Course Objectives and Learning Outcomes

### 1. Course Description

This is an intermediate course in Finance that, first, presents financial markets' role, functioning and instruments (traditional and derivatives). Second, the central question of price formation is addressed: are securities fairly priced. The answer to that question determines the strategies used by investors. There are two cases: If investors believe that prices are fair, they will play passive strategies. Whereas when investors believe that the pricing process is not fair, they will try to catch up with investment opportunities by executing active investment strategies. Distinguish between open and closed end funds; exchange traded funds and other types of professionally managed investment companies and discuss the various types of fund loads, fees and charges. Finally, the efficient market hypotheses is presented in terms of issues, anomalies and implications.

### 2. Course Main Objective

To examine how people should make investment and speculative decisions. Pure investment decision is made in the belief that security prices are "fair", that prices are what they should be given their risks. This investment decision results in **passive trading** strategies (relatively long-term) by focusing on obtaining an appropriate level of portfolio risk and return. In



contrast, pure speculative investment decision is made in the belief that security prices might be (at least in the short-term) "incorrect" - that they might provide a return higher or lower than they should, given a security's risk. This investment decision results in **active trading** strategies by focusing on relatively short-term portfolio performance. In this course we take a journey through the concepts and techniques associated with each approach.

### 3. Course Learning Outcomes

CLOs		Aligned-PLOs
1	<b>Knowledge and Understanding</b>	
1.1	CLO 1: Recognize the theoretical knowledge related to fundamentals of investments and its usage	PLO1
2	<b>Skills :</b>	
2.1	CLO 2: Compare the different types of investments and markets where these investments are traded	PLO 1
2.2	CLO 3: Estimate risk-return characteristics of individual stocks and portfolios and chose the various type of investment.	PLO 2 & 3
2.3	CLO 4: Calculate the market value of mutual funds and its application.	PLO 2 & 3
2.4	CLO5: Demonstrate good communication and numerical skills primarily through assignments as well as classroom discussions and report writing	PLO 4a &4b
3	<b>Values:</b>	
2.5	CLO6: Evaluate and discuss challenges related to ethical and professional behavior in the local & global investment environment	PLO5b

### C. Course Content

No	List of Topics	Contact Hours
1	Chapter 1: The Investments: Background and Issues	3
2	Chapter 2: Asset Classes and Financial Instruments	6
3	Chapter 3: Securities Markets	6
4	Chapter 4: Mutual Funds and Other Investment Companies	6
5	Chapter 5: Risk, Return: Past and Prologue	6
6	Chapter 8: Efficient Market Hypothesis	6
7	Chapter 12: Fundamental Analysis and Macroeconomic Variables	6
8	Selected topics in CFA Ethics and Standards: <ul style="list-style-type: none"> <li>- CFA Code of Ethics and Standards of Professional Conduct</li> <li>- CFA ethical-framework-guide</li> <li>- CFA Asset Manager Code</li> </ul>	6
	Total	45



## D. Teaching and Assessment

### 1. Alignment of Course Learning Outcomes with Teaching Strategies and Assessment Methods

Code	Course Learning Outcomes	Teaching Strategies	Assessment Methods
<b>1.0</b>	<b>Knowledge and Understanding</b>		
1.1	Recognize the theoretical knowledge related to fundamental of investments and its usage.	Lecture, Assignments on LMS, Group work, Guest speaker talks from industry	Major exam, final examination, assignments, group work in class
<b>2.0</b>	<b>Skills</b>		
2.1	Compare the different types of investments and markets where these investments are traded.	Lecture, Assignments on LMS, Group work, Guest speaker talks from industry	Major exam, final examination, assignments & Coursera
2.2	Estimate risk-return characteristics of individual stocks and portfolios and choose the various type of investment.	Lecture, Assignments on LMS, Group work, Guest speaker talks from industry	Major exam, final examination, assignments & Coursera
2.3	Calculate the market value of mutual funds and its application.	Lecture, Assignments on LMS, Group work, Guest speaker talks from industry	Major exam, final examination, assignments & Coursera
2.4	Apply the concept of Market efficiency and Capital Asset Pricing Model	Lecture, Assignments on LMS, Group work, Guest speaker talks from industry	Major exam, final examination, assignments & Coursera
...			
<b>3.0</b>	<b>Values</b>		
3.1	Demonstrate good communication and numerical skills primarily through assignments as well as classroom discussions and report writing.	Lectures, classroom discussions & Term Project	Term Project, assignments & Coursera
...			

### 2. Assessment Tasks for Students

#	Assessment task*	Week Due	Percentage of Total Assessment Score
1	Major 1	W7	15%
2	Major 2	W13	20%
3	Quiz 1 & Quiz 2	W4 & W8	10%
4	Quiz 3	W12	5%
5	Project Submission and Presentation	W14	10%

\*Assessment task (i.e., written test, oral test, oral presentation, group project, essay, etc.)

## E. Student Academic Counseling and Support

Arrangements for availability of faculty and teaching staff for individual student consultations and academic advice :



The instructor allocates 3-4 hours of face-to-face meeting per week to discuss problems encountered by the students. Instructor also makes use of emails as a medium of communication with the students.

Other than that, the instructor also acts as an advisor to the advisees giving advise related to academic matters for instances: course registration and others.

At the university level, there are adequate tutorial assistance and academic counseling to assist students with academic problems.

## F. Learning Resources and Facilities

### 1. Learning Resources

<b>Required Textbooks</b>	Essentials of Investment by Bodie, Kane & Markus, 12th Ed. McGraw Hill.
<b>Essential References Materials</b>	Investments, Bodie, Kane & Markus, Investments, 10th Ed. McGraw Hill. Recommendation: work with the textbook companion Web site: <a href="http://www.mhhe.com/bkm">www.mhhe.com/bkm</a>  Fundamentals of Investing, 13th edition, Pearson
<b>Electronic Materials</b>	Tadawul, CMA and SAMA websites, Business Week, Financial Times, WSJ, Arab news
<b>Other Learning Materials</b>	YouTube video links, Investment Movies, reading material from research journals when applicable.

### 2. Facilities Required

Item	Resources
<b>Accommodation</b> (Classrooms, laboratories, demonstration rooms/labs, etc.)	Size of classroom must occupy maximum up to 25 students. Classroom with projector, computer, whiteboard, internet or WIFI
<b>Technology Resources</b> (AV, data show, Smart Board, software, etc.)	Internet access, Smart-Board
<b>Other Resources</b> (Specify, e.g. if specific laboratory equipment is required, list requirements or attach a list)	

## G. Course Quality Evaluation

Evaluation Areas/Issues	Evaluators	Evaluation Methods
Effectiveness of teaching and assessment	Students	Student's evaluation survey (SES)



<b>Evaluation Areas/Issues</b>	<b>Evaluators</b>	<b>Evaluation Methods</b>
Quality of learning resources	Students & Peer Reviewer	Focus group discussion
Extent of achievement of course learning	Chairperson	Class Observation and general feedback

**Evaluation areas** (e.g., Effectiveness of teaching and assessment, Extent of achievement of course learning outcomes, Quality of learning resources, etc.)

**Evaluators** (Students, Faculty, Program Leaders, Peer Reviewer, Others (specify))

**Assessment Methods** (Direct, Indirect)

## H. Specification Approval Data

<b>Council / Committee</b>	<b>Department Council</b>
<b>Reference No.</b>	<b>AY2022-23/3/221/3</b>
<b>Date</b>	<b>22/11/2022</b>

