

Course Title	Investment and Risk Management				
Course Code	MBC650				
Course Type	Elective				
Level	Master (2 nd Cycle)				
Year / Semester	2 nd Year / 3 rd Semester				
Teacher's Name	TBA				
ECTS	10	Lectures / week	3 Hours / 14 weeks	Laboratories / week	None
Course Purpose and Objectives	This course will introduce students to the fundamentals of investments, financial markets and the main types of risk factors that financial institutions face in the shifting economic setting. The course will familiarize students to the tools and techniques commonly used to recognize and manage financial risk. Students will probe into the development of estimation methods for valuation, measurement and risk mitigation of financial securities.				
Learning Outcomes	<p>Upon successful completion of this course students should be able to:</p> <ul style="list-style-type: none"> • Identify the essential characteristics of various investment vehicles and the organization and operation of the securities markets. • Identify the concepts of return and risk, the ways in which they can be measured and their significance in terms of investor objectives. • Analyze the context of risk management, risk identification and prioritization. • Identify and apply the risk management theories in practical real life in banking, insurance, financial services and business. • Apply and analyze Derivatives Instruments • Apply the Black-Scholes formula and the binomial tree for options valuation. • Apply the VAR model. 				
Prerequisites	None		Co-requisites	None	
Course Content	A Brief History of Risk and Return Buying and Selling Securities Security Types Mutual Funds The Stock Market and Common Stock Valuation Stock Price Behavior and Market Efficiency Interest Rates Bond Prices and Yields Corporate Bonds Government Bonds Mortgage-Backed Securities Stock Options Option Valuation Futures Contracts Diversification and Asset Allocation				

	Return, Risk, And the Security Market Line Performance Evaluation and Risk Management Value at Risk (VAR)								
Teaching Methodology	Face-to-Face								
Bibliography	<p>Corrado C. and Jordan B.: FUNDAMENTALS OF INVESTMENT, Irwin McGraw Hill, (latest edition)</p> <p>Hull John: Risk Management and Financial Institutions, Prentice Hall, (latest edition)</p> <p>Zvi Bodie, Alex Kane & Alan J. Marcus: Investments, McGraw-Hill, International Editions, (latest edition)</p> <p>Hull John: Option, Futures & Other Derivatives, Prentice Hall, (latest edition)</p> <p>Jorion, Phillippe: Value at Risk, McGraw Hill, (latest edition)</p> <p>Sharpe W., Alexander G. and Bailey J.: INVESTMENTS, Prentice Hall, (latest edition).</p>								
Assessment	<table border="1"> <tr> <td>Examinations</td> <td>60%</td> </tr> <tr> <td>Assignments</td> <td>30%</td> </tr> <tr> <td>Class Participation and Attendance</td> <td>10%</td> </tr> <tr> <td></td> <td>100%</td> </tr> </table>	Examinations	60%	Assignments	30%	Class Participation and Attendance	10%		100%
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Language	English								