

## Course Syllabus

1. Course Number 2604332
2. Course Credit 3
3. Course Title Principle of Investment
4. Faculty/Department Commerce and Accountancy/Banking and Finance
5. Semester 1
6. Academic Year 2017
7. Instructor Assistant Prof. Dr. Anirut Pisedtasalasai  
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Office hour: Tuesday 9:00 – 16:00
8. Measurement Method Letter Grade (A B<sup>+</sup> B C<sup>+</sup> C D<sup>+</sup> D F)
9. Type of Course  Semester Courses  Year Course
10. Course Condition  Prerequisite  Co-requisite  
 Conrequisite  Consent of Faculty  
 None
11. Status  Compulsory Courses  Elective course
12. Curriculum Bachelor of Business Administration
13. Degree  B.S.  M.A.  Ph.D.  Other
14. Hours/Week 3 hours, Sec# 1: Mondays 9.00-12.00, room Com8 206  
Sec# 2: Wednesdays 9.00-12.00, room Mahit 609  
Sec# 3: Wednesdays 13.00-16.00, room Com8 208

### Course Description

Functions of capital markets; the efficient markets hypotheses; portfolio theory; valuation theory applied to a stock market in general; alternative industries and individual firms; basic principles of securities analysis.

### 16. Course Outline

16.1 Behavioral Objectives

	<b>Course objectives</b>	<b>Learning Outcome*</b>	<b>Teaching Approach</b>	<b>Evaluation Approach</b>
1	The students should have a good understanding of various financial instruments such as stocks, bonds, derivatives and mutual funds. (AACSB: Disciplinary knowledge)	1.1 Possessing well-round knowledge 1.2 Possessing In-depth knowledge	Lecture, self study	Written examination
2	The student should have considerable insight as to how these instruments are traded in financial markets and how they can be used for different investment purposes. (AACSB: Disciplinary knowledge)	1.1 Possessing well-round knowledge 1.2 Possessing In-depth knowledge 3.1 Being able to think creatively	Lecture, case, self study	Written examination
3	The student should have a good understanding of the concepts of risk, return and diversification, and are expected to be able to implement portfolio optimization technique in making decisions on capital and asset allocations.	1.2 Possessing in-depth knowledge 3.3 Having skills in problem solving 4.3 Having skills in information technology 4.4 Having mathematical and statistical skills	Lecture, experiment	Written examination
4	The student should be able to analyze a firm using the basic financial statements to perform ratio analysis and be able to value a firm using the appropriate dividend discount model and the valuation ratios such as P/E ratio	1.2 Possessing in-depth knowledge 3.3 Having skills in problem solving 4.2 Having communication skills 5.1 Having an inquiring mind	Lecture, self study	Written examination, project assessment, oral presentation
5	The student should understand the concept of market efficiency and how to make investment decisions based upon the existence of market efficiency. (AACSB: Disciplinary knowledge)	1.2 Possessing in-depth knowledge 2.2 Having an awareness of etiquette 3.1 Being able to think critically	Lecture	Written examination

## 16.2 Contents: Weekly topic

	Date			Content	Behavioral Objectives	Reference
	Sec 1	Sec 2	Sec 3			
1	21 Aug	16 Aug	16 Aug	Equity Securities and Trading Mechanism	1	BKM 2-3
2	28 Aug (Normal class)	23 Aug	23 Aug	*Trading Mechanism + FTS: RE1 & RE2 (meet at Fin Lab)	1	BKM 2-3
3	28 Aug (16-19) fin lab	30 Aug	30 Aug	Portfolio Management & Asset Allocation + Case of Gold	2,3	BKM 5-7, 9, 24
4	4 Sep	6 Sep	6 Sep			
5	11 Sep	13 Sep	13 Sep	CAPM+ Excel tutorial (meet at Com Lab: 509-510/8 )	3	RB10-14
6	18 Sep	20 Sep	20 Sep	Fundamental Analysis: Macro & Industrial Analysis	4	
7	25 Sep	27 Sep	27 Sep	Fundamental Analysis: Fin Statement+ Equity Valuation	4	
<b>8</b>	<b>4 Oct, 8.30-10.30</b>			<b>Mid-term Test</b>		
9	9 Oct	11 Oct	11 Oct	Equity Valuation	4	RB10-14
10	16 Oct	18 Oct	18 Oct	Reuters (Meet at Fin Lab) + Fixed Income Securities	1, 2	BKM 14,16
11	23 Oct	25 Oct	25 Oct	Fixed Income Securities	1, 2	
12	30 Oct	1 Nov	1 Nov	Forward and Futures Markets	4	BKM 22
13	6 Nov	8 Nov	8 Nov	Option Markets	1, 2	BKM 20
14	13 Nov	15 Nov	15 Nov	+ Video CDOs & CDSs (+discussion)+ Efficient MK Hypothesis	1, 2, 5	BKM 4, 11
15	20 Nov	22 Nov	22 Nov	Presentation	4	
<b>16</b>	<b>12 Dec, 13.00-16.00</b>			<b>Final exam</b>		

## 17. Course Evaluation

Type of assessments	Weight to the final grade
Project	30%
Mid-term test	30%
Final Examination	40%

A = 85-100% B+ = 77-84 % B = 70-76% C+ = 65%-69 C = 60-64 D+ = 55-59% D = 50-54% F = less than 50

## 18. Teaching Aids

### Media

Power Point Media, Electronic Media, Web Sites, Excel, FTS Trading System, Thomson Reuters

### Connect with Students

E-mail, phone, face-to-face

### Learning Management system

E-mail

## 19. Reading List

19.1 Required text: Bodie, Z., A. Kane, A.J. Marcus and R. Jain (2014), *Investments*, Global edition, McGraw-Hill. (BKM)

19.2 Additional text: Reilly, F.K. and K.C. Brown (2012), *Analysis of Investments & Management of Portfolios*, 10<sup>th</sup> edition, South-Western Cengage Learning. (RB)

19.3 Case:

- Gold as a Portfolio Diversifier: The World Gold Council and Investing in Gold (<https://www.youtube.com/watch?v=THE8eBX3uk4>)
- AIG-Blame for the Bailout

19.4 Video:

- [www.youtube.com/watch?v=THE8eBX3uk4](http://www.youtube.com/watch?v=THE8eBX3uk4)
- [www.youtube.com/watch?v=bx\\_LWm6\\_6tA](http://www.youtube.com/watch?v=bx_LWm6_6tA)

19.5 Web sites:

- [www.set.or.th](http://www.set.or.th)
- [www.settrade.com](http://www.settrade.com)
- [www.tfex.or.th](http://www.tfex.or.th)
- [www.afet.or.th](http://www.afet.or.th)
- [www.bex](http://www.bex)
- [www.bot.or.th](http://www.bot.or.th)

- <http://finance.yahoo.com>
- [www.ici.org](http://www.ici.org)
- [www.morningstarthailand.com/](http://www.morningstarthailand.com/)
- <http://www.thaimutualfund.com/AIMC/index.jsp>

## 20. Teaching Evaluation

20.1 Type of Evaluation: CU-CUS, online evaluation

20.2 Changes made in accordance to previous teaching evaluation: updated contents, examples, case used.

20.3 Desired Characteristics of Chulalongkorn Graduates

- Possessing well-rounded and in-depth knowledge
- Having good morals and ethical
- Being community-minded and possessing social responsibility
- Having an inquiring mind and enthusiastic to learn
- Being able to think critically and logically
- Having problem solving, information technology and analytical skills
- Having communication skills and show some leadership qualities

## 21. CHEATING & DISHONOUS PRATICES

The work you hand in for assessment for credit towards your course must be your own work (or, for a group assessment, the work of the team alone). What is cheating? If you submit material that is wholly or partly someone else's work as your own work then you are cheating. In our eyes cheating includes the following, which are all very similar:

1. **Taking concealed notes into an exam:** You may take into an exam only those objects and papers that are permitted by the Course Supervisor. (You will be advised what they are.) Taking in anything else, especially concealed notes, is cheating.
2. **Collusion:** this is secretly arranging with another person to work jointly on an assessment then submitting it as though it were your own work.  
NOTE: This definition of 'collusion' does not stop you discussing with each other, in general, your understanding of the task, how to approach it, and incorporating the ideas coming out of such discussions into your own individual submissions. Talk—but then write it up using your own thoughts and your own words.
3. **Copying from other students:** this is submitting material (in any medium, including computer files) that has been created by another person or persons, whether or not they gave their permission. This includes copying from another person's examination script.

4. **Plagiarism:** this is making use of any material without clear and academically proper acknowledgment of its author or source.

NOTES:

- a. You may feel that you are showing respect for wise authors by using their words. But you show respect only when you acknowledge the quotations as quotations, and name the real authors.
  - b. When you name the authors of quotations you cannot be accused of cheating. But using too many quotations or excessively long quotations without explaining, in your own words, why they are relevant to your argument, will be considered to be poor scholarship and earn a lowered grade.
5. **Ghost writing:** this is having another party (whether paid or not) write work for you to submit.

Penalties for cheating can range from zero credit for the work. So prepare for an assessment with your own study, research and thinking. Then take personal pride from writing your submission in your own words.

## Primary Project

This project is a group assignment focusing on the financial analysis of one of the listed companies in the stock exchange of Thailand. Each group is required to use the financial data and information available from SETSMART, Reuters, the company's annual report, and any other sources you care to use to analyze the financial performance of the company. **The financial ratios can be obtained directly from the databases. You are not required to calculate the ratios.**

The content of the project should cover:

- ◆ Executive summary (highlight) + recommendation (no more than 1 page)
- ◆ Macroeconomic analysis
- ◆ Industry analysis and competitive positioning
- ◆ Company analysis
  - Business description
  - Revenues and profit analysis
    - Segment analysis (if applicable)
    - Geographical analysis (if applicable)
  - Financial ratio and financial statement analyses
- ◆ Investment risk
- ◆ Valuation

Each group is required to write a report and make a presentation for the project. The content of the report including tables and graphs must not exceed 8 pages. You must also include a separate page for an adequate bibliography, and a cover page providing the names, student numbers.

An electronic copy must be e-mailed to [anirut@cbs.chula.ac.th](mailto:anirut@cbs.chula.ac.th) by **Friday 17<sup>th</sup> Nov 2017 by 18.00.**

Any late submissions will be penalized as follows:

- ◆ Within 24 hours: 15% of the total mark will be deducted
- ◆ Within 48 hours: 30% of the total mark will be deducted
- ◆ After 48 hours: Will not accept any submissions.

The presentation for each section will be held in the timetable shown above.

Other recommended sources for data and information

- ◆ [www.set.or.th](http://www.set.or.th)
- ◆ [www.settrade.com](http://www.settrade.com)
- ◆ [www.nesdb.go.th](http://www.nesdb.go.th) (The Office of the National Economic and Social Development Board)
- ◆ [www.oie.go.th](http://www.oie.go.th) (The Office of Industrial Economics)
- ◆ [www.bot.or.th](http://www.bot.or.th) (The Bank of Thailand)