COURSE OBJECTIVES
The course is designed with the objective of providing the students with the application of analytical techniques to a number of areas of financial security analysis. The students are expected to learn how to evaluate various financial securities by considering risk and return relationship.

COURSE DESCRIPTION
The course provides a discussion of the concept of yield and return associated with security investment. The course covers the analysis and valuation of the various types of securities and portfolio management to meet the needs of an investor.

COURSE METHODOLOGY
The class will be conducted in lecture format. Students will be encouraged to participate in class discussion by raising questions and making comments.

COURSE REQUIREMENTS
The students must have a background in money and capital markets. Some knowledge of basic algebra and economics also is helpful. Homeworks will be assigned throughout the course and attendance is expected at every class.

GRADING INFORMATION & CRITERIA
40% of the midterm exam and 60% of the final exam constitute the raw grade of the course. Raw grade is then converted into letter grade through the curve system. The outcomes are e-mailed to the students.

REQUIRED & PROPOSED MATERIALS
Canbaş, Serpil ve Hatice Doğukanlı; Finansal Pazarlar, 2. baskı, Beta Basım-Yayım, İstanbul, 1997.

EXTRA INFORMATION
Students must attend classes, participate in class discussion and complete assignments on time.

COURSE OUTLINE
I. Basic Concepts and Issues
1. Week: Risk and uncertainty, various kind of risks, systematic and unsystematic risk.
2. Week: Measures of return on investment and risk.

II. Investment in Bonds and Its Evaluation
3. Week: Factors that affect the value of a bond.
4. Week: Determination of the return and/or cost of a bond.
5. Week: Approaches used in bond evaluation.

III. Investment in Common Stock and Its Evaluation

6. Week: Factors that play important role in the market value of a stock.
7. Week: Theoretical models used to determine the cost and/or return of a stock: Gordon and Walter Model.
8. Week: Mid-term Exam

IV. Investment in Alternative Securities and Portfolio Management

13. Week: Capital market line and basics of portfolio management.