



APPLIES TO ACADEMIC YEAR 2011/2012

BØK 2610 Financial Investments - RE-SIT EXAMINATION

Programme

Re-sit examination

Responsible for the course

Knut Sagmo

Department

Department of Financial Economics

Term

According to study plan

ECTS Credits

15

Language of instruction

Norwegian

Introduction

Objective

Comprehension of the basic principles underlying modern portfolio theory. Important topics are minimum-variance portfolio theory, market efficiency, and proactive use of financial derivatives in risk management. Each topic is firmly founded in economic theory allowing students to develop practical skills and applications.

Prerequisites

Basic courses in investments theory. Participants are also required to having obtained a passing grade in the courses BØK 2632 Financial Strategy, MET 2651 Econometrics, and MET 2600 Mathematical Analysis from the second year of the Bachelor Finance program.

Compulsory reading

Books:

Bodie, Zvi, Alex Kane and Alan J. Marcus. 2009. *Investments*. 8th ed. Boston, Mass.: McGraw-Hill. Ny utgave av tidligere lærebok. Forrige utgave kan brukes.

Recommended reading

Books:

Hirschey, Mark and John Nofsinger. 2010. *Investments : analysis and behavior*. 2nd ed. Boston, Mass. : McGraw-Hill/Irwin

Course outline

Chapter references to Bodie, Kane og Marcus (BKM); *Investments* , 8th. ed.:

1.The Capital Market - An Overview	ch. 01-03
2. Portfolio Theory	ch. 05-08
3. Capital Market Theory	ch. 09-13
4. Fixed-Income Instruments	ch. 14-16
5. Options and Futures	ch. 20-23
6. Portfolio Management	ch. 24-25

Computer-based tools

Excel and Maple. Computer tools are not permitted during examinations.

Course structure

The lecture series consists of 54 classroom-hours over 14 weeks during the fall semester. Discussion and solving of exercise problems, in addition to statistical analysis of market data from the Oslo Stock Exchange, are important parts of the course. Students are required to write an individual term-paper on a topic central to financial theory and portfolio analysis. Presence at three tutoring seminars is mandatory. A passing grade on two midterm examinations, as well as the term-paper, and the final examination. is required in order to receive a passing grade for the course. Two midterm-examinations will be held

throughout the course and a final exam at the end of the semester. More information regarding the term-paper and the examinations will be provided first day of class.

Examination

Grade in course will be based on following activities:

Part 1 - Written exam - five- hour individual written examination. Counts 70% of the final grade.

Part 2 - Termpaper - About 25 pages. (Attachments can be added). Counts 30% of the final grade.

Both written exam and the termpaper must be passed in order to complete the course and get a final grade. There will be arranged a re-sit in each part.

Examination code(s)

BØK 26102 a five hour written examination counts 70% and BØK 26103 term paper counts 30% towards the final grade in BØK 2610 Financial Investments, 15 ECTS credits.

Examination support materials

BI-approved exam calculator and interest rate tables.

Exam aids at written examinations are explained under exam information in our web-based Student handbook. Please note use of calculator and dictionary.

<http://www.bi.edu/studenthandbook/examaids>.

Re-sit examination

This course was lectured for the last time spring 2011. From fall 2011 and to spring 2013 there will no longer be an exam in BØK 26101 Process examination. BØK 2601 is replaced with re-sit exam in BØK 2610x and BØK 2610y.

Additional information