



# ÇANKAYA UNIVERSITY

## Faculty of Economics and Administrative Sciences

### Course Definition Form

#### Part I. Basic Course Information

<b>Department Name</b>	BANKING AND FINANCE	<b>Dept. Numeric Code</b>	3 5
<b>Course Code</b>	B A F 3 0 5	<b>Number of Weekly Lecture Hours</b>	3
		<b>Number of Weekly Lab/Tutorial Hours</b>	0
		<b>Number of Credit Hours</b>	3
<b>Course Web Site</b>	http:// bf.cankaya.edu.tr	<b>ECTS Credit</b>	0 6

#### Course Name and Other Course Information

*This information will appear in the printed catalogs and on the web online catalog.*

<b>English Name</b>	Portfolio Analysis
<b>Turkish Name</b>	Portföy Analizi
<b>Mode of Delivery</b>	Face to face
<b>Language of Instruction</b>	English

#### Course Description

*Provide a brief overview of what is covered during the semester. This information will appear in the printed catalogs and on the web online catalog. Maximum 60 words.*

This course mainly concentrates on portfolios made with assets and derivatives written on them. Formation of portfolios, pricing techniques of derivatives, basic and advanced portfolio strategies will extensively be analyzed. In that regard, students will be introduced to binomial model, Black-Scholes formula, Greeks, forwards and futures and derivatives written on derivatives.

<b>Prerequisites</b> (if any) <i>Give course codes and check all that are applicable.</i>	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
	<input type="checkbox"/> Consent of the Instructor	<input type="checkbox"/> Senior Standing	<input type="checkbox"/> Give others, if any.	
<b>Co-requisites</b> (if any)	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>Course Type</b> <i>Check all that are applicable</i>	<input checked="" type="checkbox"/> Must course for dept. <input type="checkbox"/> Must course for other dept.(s) <input type="checkbox"/> Elective course for dept. <input checked="" type="checkbox"/> Elective course for other dept.(s)			

**Part II. Detailed Course Information****Course Objectives***Maximum 100 words.*

The main objective of this course is to equip the students with the fundamental background for portfolio formation and derivative pricing. Students will be able understand the dynamics of derivative pricing together with possible selection of portfolios. The course aims to give a brief insight regarding the growing issues of finance not only through theoretical framework but also considering real examples and possible applications.

**Learning Outcomes***Explain the learning outcomes of the course. Maximum 10 items.*

After successfully completing this course, the students will be able to:

- Learn how portfolios are formed
- Understand the pricing techniques and underlying portfolios of derivatives

Derive basic and advanced strategies with portfolios

**Textbook(s)***List the textbook(s), if any, and other related main course material.*

Author(s)	Title	Publisher	Publication Year	ISBN
Chance, D. M. and R. Brooks	An Introduction to Derivatives and Risk Management, 9h Edition	Thomson South-Western, USA	2013	978-1-133-19021-9

**Reference Books***List, if any, other reference books to be used as supplementary material.*

Author(s)	Title	Publisher	Publication Year	ISBN

**Teaching Policy***Explain how you will organize the course (lectures, laboratories, tutorials, studio work, seminars, etc.)*

In conducting the course, lectures will be accompanied with practical exercises to provide the students a better practical expertise.

**Laboratory/Studio Work***Give the number of laboratory/studio hours required per week, if any, to do supervised laboratory/studio work and list the names of the laboratories/studios in which these sessions will be conducted.*

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**Computer Usage***Briefly describe the computer usage and the hardware/software requirements for the course.*

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<b>Course Outline</b> <i>List the weekly topics to be covered.</i>	
Week	Topic(s)
1	Overview of Asset Pricing Model
2	Introduction to Options
3	Pricing Options
4	Binomial Model
5	Binomial Model (Continued)
6	Black-Scholes Model and the Greeks
7	Midterm Week
8	Basic Option Portfolio Strategies
9	Advanced Option Portfolio Strategies
10	Advanced Option Portfolio Strategies (Continued)
11	Forward and Futures Markets
12	Pricing Forwards and Futures
13	Pricing Forwards and Futures (Continued)
14	Options Written on Futures

<b>Grading Policy</b> <i>List the assessment tools and their percentages that may give an idea about their relative importance to the end-of-semester grade.</i>								
Assessment Tool	Quantity	Percentage	Assessment Tool	Quantity	Percentage	Assessment Tool	Quantity	Percentage
Midterm Exam	1	25						
Final Exam	1	40						
Class Participation	14	10						

<b>ECTS Workload</b> <i>List all the activities considered under the ECTS.</i>			
Activity	Quantity	Duration (hours)	Total Workload (hours)
Attending Lectures ( <i>weekly basis</i> )	14	3	42
Attending Labs/Recitations ( <i>weekly basis</i> )			
Preparation beforehand and finalizing of notes ( <i>weekly basis</i> )	14	2	28
Collection and selection of relevant material ( <i>once</i> )	1	5	5
Self study of relevant material ( <i>weekly basis</i> )	14	2	28
Homework assignments			
Preparation for Quizzes			
Preparation for Midterm Exams ( <i>including the duration of the exams</i> )	1	15	15
Preparation of Term Paper/Case Study Report ( <i>including oral presentation</i> )			
Preparation of Term Project/Field Study Report ( <i>including oral presentation</i> )			
Preparation for Final Exam ( <i>including the duration of the exam</i> )	1	15	15
<b>TOTAL WORKLOAD / 25</b>			133/25=5,32
<b>ECTS Credit</b>			<b>5</b>

**Program Qualifications vs. Learning Outcomes** Consider the program qualifications given below as determined in terms of learning outcomes and acquisition of capabilities for all the courses in the curriculum. Look at the learning outcomes of this course given above. Relate these two using the Likert Scale by marking with X in one of the five choices at the right.

No	Program Qualifications	Contribution				
		0	1	2	3	4
BAF-1	Be able to monitor and analyze the dynamics of banking and financial markets.				x	
BAF-2	Be able to utilize the basic knowledge that obtained with an interdisciplinary approach to business, economics, etc. in creating expertise in the fields of Banking and Finance in accordance with the requirements of the globalized business environment.			x		
BAF-3	Be able to identify and analyze the validity of theories related to the banking and finance and their relationships regarding current conditions.				x	
BAF-4	Have a good knowledge of the regulations and legislation underpinning the financial markets and institutions.			x		
BAF-5	Have the ability to efficiently perform all responsibilities of managerial finance within a corporation.				x	
BAF-6	Be able to use quantitative techniques and methods that are predominantly used in banking and finance.			x		
BAF-7	Be able to use the theoretical and practical knowledge obtained in his/her field in analyzing and evaluating data.			x		
BAF-8	Be able to construct, analyze and interpret financial and economic models				x	
BAF-9	Be able to understand and evaluate the problems in banking and finance and to discuss and express his/her opinions clearly.		x			
BAF-10	Gain self-evaluation skills to identify exactly his/her self-learning and self-improvement needs, being at the same time equipped with the capacity to follow advanced courses and degree studies.			x		
BAF-11	To maintain scientific, social, and ethical standards when collecting, interpreting, and disseminating financial information, and in application of financial ideas.			x		

Scale for contribution to a qualification: 0-none, 1-little, 2-moderate, 3-considerable, 4-highest