

Course Outline of Finance and Banking Operations based on Computer (2)

1. Instructor's Information

Instructor's / Coordinator's Name:	Dr. Mohammad Al-afeef
Office Hours:	11:00-12:30
Office and Phone:	
Email:	alafeef@gmail.com
Research and Teaching Assistant / Supervisor / Technical (if any):	

2. Course Description

Principle of Finance with Excel will teach you how to make the financial decisions, both the theory and the implementation of wise financial decision making, and how to express your decisions using Excel. Learning to do finance with Excel serves two purposes: it teaches you an important academic and practical subject (finance), and it teaches you how to implement financial analysis using the most important tool (in most cases, the only tool) for financial analysis (Excel). Your knowledge of both finance and Excel will be enhanced by carefully working through the examples and exercises in each chapter.

3. Course Information

Course No.:511471	Course Title:	Level:
Course Type: Theoretical and Practical.	Prerequisite: Principles of Finance.	Class Time: 12:30-14:00
Academic Year: 2019 / 2020	Semester: first	Study hours: 48

4. Course Objectives:

a-	To understand what is risk?
b-	To investigate some of Statistics for portfolios, portfolio returns and the efficient frontier
c-	To understand the CAPM and SML and using the SML to measure investment performance

5. Learning Outcomes

(Knowledge, Skills, and Competencies)

Upon successful completion of the course, the students will be able to:

1. understand what is risk
2. using continuously compounded returns to compute annualized returns statistics
3. Understand some basic statistics for asset returns: Mean, standard deviation, covariance and correlation.
4. Portfolio returns and the Efficient frontier
5. The Capital Asset Pricing Model and The Security Market Line.

6. Course Content

Week	Subject
First	Section 1: What is Risk? The risk characteristics of financial assets
Second	Section 1: What is Risk? A safe security can be risky because it has a long horizon
Third	Section 1: What is Risk? Risk in stock prices, using continuously compounded returns to compute annualized returns statistics
Fourth	Section 2: Statistics for Portfolios Basic statistics for asset returns: Mean, standard deviation, covariance and correlation.
Fifth	Section 2: Statistics for Portfolios Covariance and correlation-two additional statistics.
Sixth	Section 2: Statistics for Portfolios Portfolio mean and variance for a two-asset portfolio, using regression, portfolio statistics for multiple assets
	First Exam
Eighth	Section 3: Portfolio returns and the Efficient frontier The advantage of diversification- a simple example
Ninth	Section 3: Portfolio returns and the Efficient frontier Graphing portfolio returns, the efficient frontier and the minimum variance portfolio.
Tenth	Section 3: Portfolio returns and the Efficient frontier The effect of correlation on the efficient frontier.
Eleventh	Section 4: The Capital Asset Pricing Model and The Security Market Line. Risky portfolio and the riskless

	asset
	Second Exam
Thirteenth	Section 4: The Capital Asset Pricing Model and The Security Market Line. Points on the CML-exploring optimal investment combinations
Fourteenth	Section 4: The Capital Asset Pricing Model and The Security Market Line. The sharpe ratio and the market portfolio, the security market line.
Fifteenth	Section 5: Using the security market line to measure investment portfolio. Aggressive versus defensive stocks, diversification pays.
Sixteenth	Final Exam

7. Teaching and Learning Strategies and Evaluation Methods

No.	Learning Outcomes	Teaching Strategies	Learning Activities	Evaluation /Measurement Method (Exam/ presentations/ discussion/ assignments)
1	What is risk?	Lecture Questions Exercises	Provide examples Summarize ideas	Exam Discussing
2	Statistics for Portfolios	Lecture Questions Exercise	Provide examples Summarize ideas	Exam Discussing
3	Portfolio returns and the Efficient frontier	Lecture Questions Exercise	Provide examples Summarize ideas	Exam Discussing
4	The Capital Asset Pricing Model and The Security Market Line	Lecture Questions Exercise	Provide examples Summarize ideas	Exam Discussing

8. Assessment

Methods Used	Assessment Time	Distribution of grades
1- semester work (report, assignments, attendance)	During semester	10
2- First Exam	Seventh week	20
3- Second Exam	Twelfth week	20
4- Final Exam	Week of the final exams	50

9. Textbook

Main Reference	Principles of Finance with Microsoft Excel
Author	Simon Benninga
Publisher	Oxford University Press, Inc
Year	2011
Edition	Second Edition
Textbook Website	https://www.amazon.com/Principles-Finance-Excel-Simon-Benninga/dp/0199755477

10. Extra References (books and research published in periodicals or websites)

1-	
2-	
3-	