

**The Government of the Russian Federation
Federal State Autonomous Institution for Higher Professional Education
National Research University Higher School of Economics
St. Petersburg Branch
St. Petersburg School of Economics and Management**

Course Syllabus

Investment Analysis

Areas of Studies: 38.04.08 “Finance”

Level: Master

Master Programme “Finance”

Author

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Recommended by the Head of the Master’s Programmes Curriculum Support
Neklyudova M.A. _____ “ ____ ” _____ 20__

Approved by the Academic Council of Master in Finance Master Programme
Academic director: Rogova E.M. _____ “ ____ ” _____ 20__
Protocol № _____

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Course Syllabus

Title of the course	Investment Analysis				
Title of the Academic Programme	Master in Finance Master Programme, year 1				
Type of the course	Elective				
Prerequisites	Macroeconomics, Theory of Finance, Financial Markets and Institutions				
ECTS workload	5				
Total indicative study hours	Directed Study	Self-directed study	Total		
	56	134	190		
Course Overview	<p>The course aims at understanding of investment process. It means that the students will learn not only the technical basis of investment analysis, but also the final goal of investments – increase of value for investors, owners and shareholders.</p> <p>A major problem to be addressed is how investors select investment projects and methods of financing in order to ensure the maximum increase of value.</p>				
Intended Learning Outcomes (ILO)	<p>In accordance with the stated purpose of the course, focus on the following learning objectives is made:</p> <ul style="list-style-type: none"> - Knowledge of basic theoretical aspects of investment analysis (understanding of the economic nature of investments, time value of money, risk, key players of the investment process). - Ability to find, produce and analyze economic and financial information necessary for evaluation of investment projects (information about expected cash flows, levels of risks, possible guarantees etc, including business planning). - Skills of taking investment decisions (positive and negative decisions about investments into a project, selection of portfolio of investments, selection of sources of finance depending on the nature of the project etc). <p>The goal of this course is to make students acquainted with main tools of investment analysis, including (but not limited to):</p> <ul style="list-style-type: none"> - How to analyze present and future cash flows? - How to calculate different investment indexes (for standard and non-standard investment projects)? - How to use different methods of evaluation and elimination of risks? - How to prepare corporate investment strategy? - How to use mathematical models to build up an optimal set of investment projects? <p>How to finance investment projects?</p>				
Teaching and Learning Methods	The course consists of lectures (28 hours) and tutorials (28 hours). The tutorials involve student presentations (in small groups), problems solving, case analysis and the individual assignment (project).				
Content and Structure of the Course					
№	Topic / Course Chapter	Total	Directed Study		Self-directed Study
			Lectures	Tutorials	
1	Introduction into theory of investment analysis	28	4	4	20
2	Evaluation of investment projects	56	8	8	40

3	Uncertainty and risk: assessment and elimination	42	6	6	30
4	Sources of finance	42	6	6	30
5	Investor strategy	22	4	4	14
Total study hours		190	28	28	134
Indicative Assessment Methods and Strategy	<p>Written examination (50%) - 2 hour exam; class work (50%). The final mark is the weighted mark that is calculated as follows: $GF = 0,5WE + 0,5C$, Where: GF – final grade; WE – written examination; C – classwork: $C = 0,1CP + 0,2WT + 0,3IA + 0,4TP$, Where CP – class participation mark; WT – written test; IA – individual assignment; TP – team project Final mark is an integer number. Rounding of the final mark is made according to the mathematical rules.</p>				
Readings / Indicative Learning Resources	<p>Main textbook</p> <ol style="list-style-type: none"> Damodaran, Aswath. Investment Valuation: tools and techniques for determining the value of any asset, 3rd Edition. London: John Wiley and Sons Inc., 2012. <p>Additional readings</p> <ol style="list-style-type: none"> Christensen C. Innovation and the general manager. Boston: McGraw-Hill Higher Education, 1999. Metrick A. Venture capital and the finance of innovation. N.Y.: John Wiley and Sons Inc., 2007. Reilly, Frank K., Brown, Keith C. Investment Analysis and Portfolio Management, 10th Edition. London: Thomson, 2012. Smit, Han T.J., Trigeorgis L. Strategic Investment: Real Options and Games. – Princeton, Princeton University Press, 2004. Damodaran Online – www.damodaran.com 				
Academic Support for the Course	<p>For achieving targets of discipline teachers need to be integrated into an interconnected set of content of lectures, seminars and independent work of masters. The aim of the discipline, as mentioned earlier, is the formation of universal and professional competences in the field of investments</p>				
Facilities, Equipment and Software	<p>For the successful development of the discipline, the student uses the following software: Microsoft Office package (Word, Excel, PowerPoint), Acrobat Reader. LCD projector</p>				
Course Instructors	Ivan Kotliarov				