Exchange programme Vrije Universiteit Amsterdam

Vrije Universiteit Amsterdam - Exchange programme Vrije Universiteit Amsterdam - 2024-2025

Exchange

Vrije Universiteit Amsterdam offers many English-taught courses in a variety of subjects, ranging from arts & culture and social sciences, neurosciences and computer science, to economics and business administration.

The International Office is responsible for course approval and course registration for exchange students. For details about course registration, requirements, credits, semesters and so on, please [visit the exchange programmes webpages](#).

Investments

Course Code	E_EBE3_INVES
Credits	6
Period	P5
Course Level	300
Language Of Tuition	English
Faculty	School of Business and Economics
Course Coordinator	prof. G.U. Weitzel
Examiner	prof. G.U. Weitzel
Teaching Staff	E.L.E. Mynott, prof. G.U. Weitzel
Teaching method(s)	Lecture, Seminar

Course Objective

This course offers a comprehensive introduction to the world of investments. The key objective of this course is to provide understanding of the pricing of different asset classes and insights into the principles of investment analysis.

After successfully completing this course, you will be able to:

- understand and apply various approaches to price financial assets, such as equity and derivatives (Academic and Research Skills, Bridging Theory and Practice - Knowledge, and Bridging Theory and Practice - Application)
- understand and apply optimal asset allocations and fundamental risk-management techniques (Academic and Research Skills, Bridging Theory and Practice - Knowledge, and Bridging Theory and Practice - Application)
- understand the determinants and implications of market efficiency and financial decision making (Academic and Research Skills, Bridging Theory and Practice - Knowledge, and Bridging Theory and Practice - Application)
- acquire a critical attitude towards competing theories in investments (Academic and Research Skills, Bridging Theory and Practice - Knowledge, and Bridging Theory and Practice - Application)
- be able to do advanced analyses on data sets with real data in in R and RStudio (Academic and Research Skills, Bridging Theory and Practice - Knowledge, and Bridging Theory and Practice - Application)

Course Content

Investment decisions take a prominent role in everyday life and are regularly taken by individual households (additional pension savings, savings for children education, buying a house, etc.), and by institutional investors (banks and corporate firms, insurance companies, investment funds). By extending and deepening prior (undergraduate) Finance knowledge, this course, covers several areas of investments, including, Portfolio Theory and Asset Pricing, Portfolio Management, Risk Management, Security Valuation, and Derivatives. Throughout the course, students will not only learn theoretical concepts, but also apply the theory with real data in R. The course therefore builds on a combination of theory and empirics. Students will work on data assignments in which they can directly apply their newly acquired theoretical knowledge and experience the real-life issues associated with investing. The methods taught will also be helpful for analyses for bachelor and master theses.

Additional Information Teaching Methods

Lectures and tutorials.

Method of Assessment

- Written exam
- Online data assignments
- Online quizzes

Entry Requirements

Finance I or equivalent. Knowledge of Finance II or equivalent, of econometrics, and of R is highly recommended (also see below).

Literature

- Zvi Bodie, Alex Kane and Alan J. Marcus: Investments, McGraw Hill (Latest Global Edition).
- Selected research articles.
- Additional readings and knowledge clips may be posted on Canvas.

Additional Information

This course provides theoretical and applied investments knowledge for students aiming at an MSc in Finance and a career in the financial sector.

Recommended background knowledge

The course relies on prior knowledge on linear algebra, statistics and econometrics (as covered in QRM I, QRM II, and QRM III). Even though the course offers a brief introduction to the concepts and tools in these fields, students are strongly advised to review this material from relevant courses in the first two years of studies. We expect students to have a good understanding of the material covered in Finance I and Finance II (and/or equivalent courses) and we recommend that students refresh/acquire basic R skills.