



Course Syllabus
Spring 2025
Dr. Saad Alnahedh
FIN 320 - Principles of Investments

Lecture Time and Location:

FIN 320/ 01 : Mon, Wed TIME 9:30 – 10:45 AM Classroom # S| 01 C1 1021
FIN 320/ 51 : Mon, Wed TIME 11:00 – 12:15 AM Classroom # S| 01 C1 1021

Contact Information:

Location : Department of Finance & Financial Institutions – 4th Floor - Zone B - Office #1023

Email : s.alnahedh@ku.edu.kw

Office Hours : Mondays from 8:00 AM to 9:30 AM
Wednesdays from 3:30 PM to 5:00 PM
or by appointment.

Course Link : On MS Teams

Course TA : TBA **Email:** TBA

Tutorial Times : TBA

Course Description:

This course provides a rigorous treatment of the core concepts of investment. The course covers portfolio optimization, concepts used to manage security portfolios and diversification, risk/return tradeoffs, examines the pricing of equity, and analyzes the degree of market efficiency.

Course Learning Objectives (CLOs)

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

1. Understand the different types of valuation models and the assumptions behind them and their applications .
2. Use spreadsheet applications (i.e. Microsoft excel) to create models to value assets.
3. Produce professional quality investment and financial reports.
4. Deliver professional quality presentations.
5. Work effectively in a team setting and have the appropriate interpersonal and leadership skills.

CLO Mapping to CBA Skill Based Competency Goals¹

CLO	Competency Goal			
	Analytical	Communication	Information Technology	Business Ethics
1	I			
2			A	
3		R		
4		R		
5		R		

¹ CBA Competency Goals can be found at the end of this document



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Type of Emphases:

- **(I)ntroduce:** Students will be introduced to the skill and their grasp of it assessed in the course.
- **(A)pply:** The course will not cover the skill. Students should have a high-level grasp of the skill and are required to apply it in the course.
- **(R)einforce:** Students should have an introductory-level grasp of the skill and the course will improve their mastery to a higher level.

Required Material:

Textbook: Jordan, B. D., Miller, T. W., & Dolvin, S. D. **Fundamentals of investments:** Valuation and management (9th or 8th ed.). New York: McGraw-Hill Irwin.

Additional Material:

- Other material, including course PPT Slides.
- Financial Calculator
- Read “The Intelligent Investor” by Benjamin Graham
- Investopedia Stock Simulation (Refer to the pdf guide on teams)
 - Password: FIN320_S25

Expectations: I expect you to attend each class, take notes, and participate in discussions. I expect you to do all assigned work on time and attend the tutorial sessions.

Homework: There will be a homework assignment after each chapter we finish. The assignments are meant to cement the information learned in class and to reinforce concepts.

Project Assignments – Investopedia Stock Simulator: The Virtual Trading assignments are designed to provide students with hands-on experience in applying investment principles learned in class. By engaging in virtual trading at Investopedia, students will gain practical insights into portfolio management, trading strategies, and market dynamics. Your team will have to work on and submit 3 major assignments and reports related to investment and investing, and then put everything together at the end in the form of a report and an in-class presentation. The purpose is to help you understand the material, connect the concepts, and expose you to real-world problems and situations. This should be done in a group of 3 students.

Exams: There will be two midterms and a final exam. The final exam is comprehensive.

Attendance: Every student in this course must abide by the Kuwait University Policy on Attendance (published in the Student Guide, Chapter 3, Section 13). A copy of the student guide can be accessed online on:

http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf

Class participation is critical to the learning experience. Your participation & attendance will contribute into achieving a better grade.

Attendance will be recorded at the beginning of each class. **If you arrive late to class, or if you leave before class ends, you will be marked absent.** I will allow two absences without having your grade penalized without, so please do not send me messages/emails explaining your personal situation why you could not make the class.



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Cheating and Plagiarism: I have a zero tolerance policy towards cheating, plagiarism, and academic misconduct. Any student found cheating in this course will receive an F and will be reported to the office of the dean. Every student in this course must abide by the Kuwait University Policy on Cheating and Plagiarism (published in the Student Guide, Chapter 3, Section 2). A copy of the student guide can be accessed online on:

http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf

Please carefully note all sources and assistance when you turn in your work. Under no circumstances should you take credit for work that is not yours. You should neither receive nor give any unauthorized assistance on any deliverable. If you have any questions about what constitutes “unauthorized assistance” please email me before the deliverable is submitted.

Artificial Intelligence and GenAI (ChatGPT, etc.) Policy:

Students are permitted to use generative AI tools like ChatGPT to assist with assignments and idea. However, copying AI-generated content is strictly prohibited. AI should be used as a learning aid, not a replacement for critical thinking and original work. Ultimately, students are responsible for the content they submit, and I reserve the right to question those suspected of directly copying AI-generated answers. If a student is unable to defend their work, it will be considered an academic integrity violation and reported to the Dean as a cheating attempt, resulting in an FC (Failure due to Cheating) in the course.

Laptops and Tablets Usage Policy:

The use of laptops and tablets for note-taking during class is not permitted unless prior permission is obtained. If granted permission, students must sit in the first row in the front. This policy is in place to foster active engagement, encourage discussion, and maintain a focused learning environment.

Writing Style: Students must refer to APA writing style for their assignments and report writing. Refer to the English Language Center for help or use this webpage https://owl.purdue.edu/owl/research_and_citation/apa_style/apa_formatting_and_style_guide/general_format.html

Grading: The scores in this course will be the weighted average of the following items:

Weight	Description
5%	Participation, attendance, and class contribution
10%	Weekly Homework
15%	Investopedia Assignments and Project
15%	Each Midterm (x2)
5%	Bonus
40%	Final
100%	TOTAL

Grade Distribution:

Grade	Range	Grade	Range
A	≥ 95	C+	≥ 77 and < 80
A-	≥ 90 and < 95	C	≥ 73 and < 77
B+	≥ 87 and < 90	C-	≥ 70 and < 73
B	≥ 83 and < 87	D+	≥ 65 and < 70
B-	≥ 80 and < 83	D	≥ 60 and < 65
		F	< 60



Course Outline:

Title	Topics
Investments: Background & Issues	Real Assets vs. Financial Assets • Financial Assets • Financial Markets & the Economy • The Investment Process • Markets Are Competitive • The Players
Asset Classes & Financial Instruments	Stock & Bond Market Indexes (CFA TOPIC)
Risk and Return	Rates of Return • Risk & Risk Premiums • Inflation & Real Rates of Return • Asset Allocation across Risky & Risky-Free Portfolios • Passive Strategies & the Capital Market (CFA TOPIC)
Equity valuation	Valuation by Comparables • Intrinsic Value vs Market Price • Dividend Discount Models • Price-Earnings Ratios • Free Cash Flow Valuation Approaches (CFA TOPIC)
Efficient Diversification	Diversification and Portfolio Risk • Asset Allocation with Two Risky Assets • The Optimal Risky Portfolio with a Risk-free Asset • Efficient Diversification with Many Risky Assets
Capital asset pricing and arbitrage pricing theory	The Capital Asset Pricing Model • Multifactor Models and the CAPM • The Arbitrage Theory (CFA TOPIC)
The efficient market hypothesis	Random Walks and the Efficient Market • Implications of EMH
Portfolio performance evaluation	Risk-Adjusted Returns • Market Timing
CFA Code of Ethics (CFA TOPIC)	CFA Institute Code of Ethics and Standards of Professional Conduct <i>NOTE: Standards of practice handbook (11th ed.)</i>



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Course Schedule (tentative and might change without notice)

Day	Date	Lecture	Note
Mon	3/2/2025	Chapter 1: A Brief History of Risk and Return	Create Investopedia Account
Wed	5/2/2025	Chapter 1: A Brief History of Risk and Return	
Mon	10/2/2025	Chapter 1: A Brief History of Risk and Return	
Wed	12/2/2025	Chapter 20: Global Economic Activity and Industry Analysis	
Mon	17/2/2025	Chapter 20: Global Economic Activity and Industry Analysis	
Wed	19/2/2025	Chapter 2: The Investment Process	
Mon	24/2/2025	Chapter 2: The Investment Process	
Wed	26/2/2025	PUBLIC HOLIDAY	
Mon	3/3/2025	Chapter 4: Mutual Funds and Other Investment Companies	
Wed	5/3/2025	Chapter 4: Mutual Funds and Other Investment Companies	
Mon	10/3/2025	Chapter 5: The Stock Market	
Wed	12/3/2025	Chapter 5: The Stock Market	
Mon	17/3/2025	Midterm 1 (Covers chapters 1, 19, 2, and 4)	
Wed	19/3/2025	Chapter 6: Common Stock Valuation	Tentative Date
Mon	24/3/2025	Chapter 6: Common Stock Valuation	
Wed	26/3/2025	Chapter 6: Common Stock Valuation	
Mon	31/3/2025	Chapter 7: Stock Price Behavior and Market Efficiency	
Wed	2/4/2025	Chapter 7: Stock Price Behavior and Market Efficiency	
Mon	7/4/2025	Chapter 7: Stock Price Behavior and Market Efficiency	
Wed	9/4/2025	Chapter 11: Diversification and Risky Asset Allocation	
Mon	14/4/2025	Chapter 11: Diversification and Risky Asset Allocation	
Mon	16/4/2025	Chapter 11: Diversification and Risky Asset Allocation	
Wed	21/4/2025	Chapter 12: Return, Risk, and the Security Market Line	
Mon	23/4/2025	Chapter 12: Return, Risk, and the Security Market Line	
Wed	28/4/2024	Midterm 2 (Covers chapters 5, 6, 7, and 11)	Tentative Date
Mon	30/4/2025	Chapter 12: Return, Risk, and the Security Market Line	
Wed	5/5/2025	Chapter 13: Performance Evaluation and Risk Management	
Mon	7/5/2025	Chapter 13: Performance Evaluation and Risk Management	
Wed	12/5/2025	Chapter 13: Performance Evaluation and Risk Management	
Mon	14/5/2025	Project Presentations	
Mon	22/5/2022	Final Exam (2pm-4pm)	Place TBA



Appendix

Undergraduate Program Competency Goals:

1. Analytical Competency: A CBA graduate will be able to use analytical skills to solve business problems and make a well-supported business decision.

Student Learning Objectives:

- 1.1. Use appropriate analytical techniques to solve a given business problem.
- 1.2. Critically evaluate multiple solutions to a business problem.
- 1.3. Make well-supported business decisions.

2. Communication Competency: A CBA graduate will be able to communicate effectively in a wide variety of business settings.

Student Learning Objectives:

- 2.1. Deliver clear, concise, and audience-centered presentations.
- 2.2. Write clear, concise, and audience-centered business documents.

3. Information Technology Competency: A CBA graduate will be able to utilize Information Technology for the completion of business tasks.

Student Learning Objectives:

- 3.1. Use data-processing tools to analyze or solve business problems.

4. Ethical Competency: A CBA graduate will be able to recognize ethical issues present in business environment, analyze the tradeoffs between different ethical perspectives, and make a well-supported ethical decision.

Student Learning Objectives:

- 4.1. Identify the ethical dimensions of a business decision.
- 4.2. Recognize and analyze the tradeoffs created by application of competing ethical perspectives.
- 4.3. Formulate and defend a well-supported recommendation for the resolution of an ethical issue.

5. General Business Knowledge: A CBA graduate will be able to demonstrate a basic understanding of the main business disciplines' concepts and theories.

Student Learning Objectives:

- 5.1. Acquire a fundamental understanding of knowledge from the main business disciplines (e.g. finance, accounting, marketing, and management information systems, among others).