KAPLAN PROFESSIONAL



Subject Outline

FIN206 Investment Management

Section 1 — General information

1.1 Administrative details

Duration	Credit points	Level
One study period (12 weeks)	6	AQF8

1.2 Core or elective subject

This is an elective subject for the Graduate Certificate in Applied Finance, Graduate Diploma of Applied Finance, Master of Applied Finance, Graduate Certificate in Financial Services, Graduate Diploma of Financial Services and Master of Financial Services.

1.3 Delivery mode

This subject is delivered online.

1.4 Assumed knowledge

Kaplan assumes that students have completed FIN203 Fundamentals of Equity Markets, or understand the content covered in those subjects, prior to undertaking FIN206 Investment Management.

1.5 Course transition subject equivalence

Students may not be required to complete this subject if they have transitioned from a SIA/Finsia/Kaplan course and have completed the following subjects:

- *E121 Fundamentals of Portfolio Management*
- *E122 Applied Portfolio Management*
- *FIN226 Investment Management.*

1.6 Work integrated learning

There are no placements, internships or work experience requirements associated with undertaking this subject.

1.7 Other resource requirements

Students do not require access to specialist facilities and/or equipment to undertake this subject.

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Section 2 — Academic details

2.1 Subject overview

This subject examines the principles and practices of investment management across major asset classes. It introduces foundational investment theories and concepts, including risk and return, diversification, portfolio theory, and asset allocation, and explores their application in investment decision-making.

The subject also examines the characteristics, risks, returns, and management approaches associated with equity, fixed income, property, international, and alternative investments, together with investment performance evaluation and taxation considerations.

2.2 Subject learning outcomes

On successful completion of this subject, students should be able to:

1. Analyse the characteristics, risks, and return drivers of major investment asset classes.
2. Evaluate foundational investment management theories and approaches used in investment decision making.
3. Assess the impact of economic, market, taxation and sustainability factors on investment performance
4. Apply performance evaluation and risk management techniques in an investment management context.

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2.3 Topic learning outcomes

Topic 1: The investment management process

On successful completion of this topic, students should be able to:

- provide an overview of the generic investment management process
- explain the purpose of each of the main components of the process
- outline the steps that need to be taken before an investment manager can commence investing in assets
- explain common ways of monitoring and reviewing investment managers.

Topic 2: Foundations of investment management

On successful completion of this topic, students should be able to:

- analyse the relationship between expected return, risk and diversification in portfolio construction
- evaluate the features of efficient portfolios and the efficient frontier under modern portfolio theory
- apply mean–variance concepts to portfolio selection decisions
- explain the fundamental concepts of the capital asset pricing model (CAPM)
- demonstrate how security risk can be decomposed in a portfolio context
- describe a range of applications for CAPM
- explain the fundamental concept of betas
- analyse the rationale, structure and practical use of arbitrage pricing theory and factor models
- evaluate the implications of efficient market hypothesis and behavioural finance for active portfolio management
- compare major developments in portfolio management theory

Topic 3: Asset allocation

On successful completion of this topic, students should be able to:

- analyse how diversification, correlation and beta influence portfolio risk and return
- explain how asset allocation is used to structure portfolios across growth and defensive assets
- analyse the process for setting strategic asset allocation
- evaluate the key inputs used in strategic asset allocation
- distinguish between strategic asset allocation and active asset allocation
- explain the process of implementation of active asset allocation

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Topic 4: Equity investment management

On successful completion of this topic, students should be able to:

- discuss the main characteristics of equities as an asset class
- evaluate passive and active approaches to equity portfolio management
- discuss current trends and developments in the equities asset class.
- evaluate key styles and assumptions of active equity management
- explain how different approaches are used in active equity investment decisions
- explain how futures and options may be used in equity portfolio management
- evaluate key operational, ESG, governance and conduct risks relevant to equity portfolio management.

Topic 5: Fixed interest investment management

On successful completion of this topic, students should be able to:

- explain the main characteristics and sectors of fixed interest securities
- describe the structure of Australian short-term and long-term interest rate markets
- analyse the key risks associated with investing in fixed interest securities.
- explain passive and active approaches to fixed interest portfolio management
- analyse how duration, yield-curve, credit and sector strategies may be used in fixed interest portfolios
- explain how international fixed interest assets and derivatives may be used in portfolio management.

Topic 6: International investment management

On successful completion of this topic, students should be able to:

- explain the main characteristics, benefits and risks of international investment assets
- analyse how international assets may support diversification across countries, sectors, currencies and economic cycles
- compare active and passive approaches to managing international asset portfolios.
- explain key considerations in constructing an international asset portfolio
- analyse geographic, industry, benchmark and emerging market decisions in international portfolio management
- explain how currency exposure affects international portfolio returns and how it may be managed.

Topic 7: Property investment management

On successful completion of this topic, students should be able to:

- explain the main characteristics of property investment
- demonstrate the main influences on property investment returns
- compare direct property and unlisted property funds as forms of property investment.
- explain the main features of REITs as a form of property investment
- apply common REIT valuation approaches
- discuss current trends and developments in the property asset class.

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Topic 8: Alternative investment management

On successful completion of this topic, students should be able to:

- explain the main characteristics of hedge funds and private equity
- analyse different hedge fund strategies and private equity investment structures
- describe the main risks associated with hedge funds and private equity
- analyse risk management and due diligence considerations when assessing hedge funds and private equity investments.
- explain the main characteristics of infrastructure and commodities
- analyse different ways of gaining exposure to infrastructure and commodity markets
- describe the main risks associated with infrastructure and commodities
- analyse risk management considerations when investing in infrastructure and commodities.

Topic 9: Performance measurement

On successful completion of this topic, students should be able to:

- explain the purpose of investment performance measurement
- calculate and interpret basic performance statistics
- explain the difference between absolute and relative performance
- explain how investment objectives influence the choice of performance measures
- discuss the challenges associated with measuring and reporting sustainability-related investment outcomes
- explain the impact of strategic asset allocation on portfolio performance
- explain the concept and components of active return
- analyse performance relative to a benchmark
- explain the use and interpretation of attribution analysis
- assess active management performance using both quantitative and qualitative information.

Topic 10: Taxation in investment management

On successful completion of this topic, students should be able to:

- assess the impact of tax on real returns
- evaluate strategies to increase after-tax returns
- discuss the principles for consideration when investigating after-tax performance measurement
- analyse the after-tax performance measurement and reporting options that are available
- discuss current tax issues in portfolio management
- apply evidence from research and professional literature to enhance a portfolio's tax effectiveness.

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2.4 Assessment schedule

Assessment	Description	Week	Topics	Weighting	Subject learning outcomes assessed
Task	Four (4) short-answer questions focused on foundational investment management concepts and approaches. Length: 2,000 words.	Week 4	1–3	20%	LO1- LO3
Assignment	Short answer questions based on a case study. Length: 2,500 words.	Week 7	3–6	40%	LO1- LO3
Presentation and Written Assignment	Short-answer questions and a presentation based on a case study Length: 2,200 words written submission plus a 10-minute presentation.	Week 12	2–10	40%	LO1–LO4

Please refer to our website <www.kaplanprofessional.edu.au> to review student policies relating to your assessment, including the Kaplan *Assessment Policy* and *Academic Integrity and Conduct Policy*.

2.5 Prescribed text

There is no prescribed text for this subject. Students are provided with key readings and access to Kaplan's online databases. Students are encouraged to research and read widely on the topic.

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2.6 Study plan

Week(s)	Topic name	Study load in hours
1	Topic 1: The investment management process	8
2	Topic 2: Foundations of investment management	12
3	Topic 3: Asset allocation	12
4	Topic 4: Equity investment management **Task (Weighting 20%)**	14
5	Topic 5: Fixed interest investment management	12
6	Topic 6: International investment management	10
7	**Assignment (Weighting 40%)**	8
8	Topic 7: Property investment management	10
9	Topic 8: Alternative investment management	8
10	Topic 9: Performance measurement	8
11	Topic 10: Taxation in investment management	8
12	**Presentation and written assignment (Weighting 40%)**	10
Total minimum study load		**120 hours**

Additional study hours (if required), dependent on knowledge and personal commitments	60 hours
Total study load, including additional study hours	**180 hours**

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