# Module description

<table>
<thead>
<tr>
<th>Module title</th>
<th>Abbreviation</th>
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<tbody>
<tr>
<td>Portfolio Selection and Capital Market Theory</td>
<td>12-M-B1a-161-m01</td>
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## Module coordinator
holder of the Chair of Business Management, Banking and Finance

## Module offered by
Faculty of Business Management and Economics

<table>
<thead>
<tr>
<th>ECTS</th>
<th>Method of grading</th>
<th>Only after succ. compl. of module(s)</th>
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<tbody>
<tr>
<td>5</td>
<td>numerical grade</td>
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## Duration
1 semester

## Module level
graduate

## Other prerequisites
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## Contents

### Content:
This course deals with the fundamentals of individual investment decisions (portfolio selection), the capital market equilibrium and the resulting CAPM.

### Outline of syllabus:
1. Fundamentals of decision theory
2. Portfolio selection
3. CAPM
4. Information efficiency and event analysis

## Intended learning outcomes
After completing the course "Portfolio Selection and Capital Market Theory", the students will be able
(i) to explain the optimal capital market position of an investor given the different investment opportunities and its individual utility function in theory and calculate it;
(ii) to understand the central propositions made by the CAPM and use the CAPM for valuating assets and firms.

### Courses
(type, number of weekly contact hours, language — if other than German)
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### Method of assessment
(type, scope, language — if other than German, examination offered — if not every semester, information on whether module is creditable for bonus)
written examination (approx. 60 minutes)
Language of assessment: German and/or English

## Allocation of places
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## Additional information
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## Referred to in LPO I
(examination regulations for teaching-degree programmes)
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## Module appears in
Master's degree (1 major) Economathematics (2016)
Master's degree (1 major) Business Information Systems (2016)
Master's degree (1 major) Business Management (2015)
Master's degree (1 major) China Business and Economics (2016)
Master's degree (1 major) China Language and Economy (2016)