STUDENTS ARE EXPECTED TO HAVE COMPLETED
Mathematics (Linear Algebra and Calculus), Statistics, Econometrics I and II, Microeconomics III, Financial Economics, Corporate Finance, Financial Systems

COMPETENCES AND SKILLS THAT WILL BE ACQUIRED AND LEARNING RESULTS.
The design and management of Long-run and short-run investment strategies

DESCRIPTION OF CONTENTS: PROGRAMME
PROGRAM:

Chapter 1. Introduction
What is this course about?
Grading
Data and Software
Asset standardized description
Project
Basic ideas
Asset classes: historical performance
CFD
ETF

Chapter 2. Why sustainable investing?
Evidence on Climate Change (CC)
Causes
Projections (IAM Models)
Consequences
Strategies
International protocols

Chapter 3. Green Investment Gap
Dealing with Climate Change
Green Investment Gap
ESG factors
Initiatives: UN, EU
The role of the insurance sector
Low Carbon Economy in six charts

Chapter 4. Sustainable Investing: Green Bonds
What is a green bond?
Labeling
The market of GB
Primary market
Secondary market
Portfolios
Real-economy effects
Chapter 5. Sustainable Investing: Stock Markets

- Doing well or doing good?
- ESG factors
- Security selection
- SRI performance
- Testing factors
- Multiple testing
- ESG ratings
- Trading strategies
- Evaluating trading strategies

Chapter 6. Sustainable Investing: Green Real Estate

- Real estate and the environment
- Investing in energy efficiency
- Green Buildings
- REITS
- Green mortgages

Chapter 7. Sustainable Investing: New markets

- Carbon markets
- CDM&JI
- ETS
- EU-ETS
- Carbon prices
- Carbon markets strategies

Chapter 8. Investment strategies

- Passive and Active investment strategy
- Performance measures
- J.M. Keynes as investor
- Market timing
- Security Selection
- Warren Buffet, Georges Soros and the Norway Sovereign Fund
- Global Asset Allocation

Chapter 9. Personal portfolio choice

- Preliminaries
- Life expectancy
- Instruments
- Insurance
- Asset allocation
- Investment funds
- REITS

Chapter 10. Behavioral finance

- Efficient Markets?
- Some experiments
LEARNING ACTIVITIES AND METHODOLOGY

Methodology:
(1) Theory.
(2) Cases
(3) Computer simulations.
(4) Exercises
(5) Class discussion.

ASSESSMENT SYSTEM

Grading: Project paper, Cases and exercises, Class participation and Final Exam.
Project paper 30%
Cases and exercises/class participation 30%.
Project and cases: groups of 4 persons
Final Exam: 40%.

% end-of-term-examination: 40
% of continuous assessment (assignments, laboratory, practicals...): 60

BASIC BIBLIOGRAPHY
- COCHRANE, J.H. Asset Pricing, Princeton University Press, 2005
- SHEFRIN, H. Beyond Greed and Fear: Understanding Behavioral Finance, Oxford University Press, 2002

ADDITIONAL BIBLIOGRAPHY