Advanced portfolio management

Academic Year: (2021 / 2022) **Review date: 02-12-2020**

Department assigned to the subject:

Coordinating teacher: MARIN VIGUERAS, JOSE MARIA

Type: Electives ECTS Credits : 3.0

Year : 1 Semester : 2

REQUIREMENTS (SUBJECTS THAT ARE ASSUMED TO BE KNOWN)

Target Audience: This course is adequated for any student in the MSc in Finance.
Course Language: This course is totally taught in English.
The courses of Financial Markets (First Term) and Investment (Second Term) should have been completed previously.
The empirical exercises will be done using Excel.

Professors:
- David Cienfuegos, CAIA (Senior Director & Head of Investments Spain at Willis Towers Watson, MBA)
- Fernando Dominguez (Head of Real Estate Asset Management Iberia, DWS)

OBJECTIVES

This course is included in the "materia or area": INVESTMENT

GENERAL COMPETENCES associated to INVESTMENT:
Students will achieve the ability to answer new problems, using a large amount of information. They will learn how work in unstable situations, being part of a team or individually. They will also promote their ability of leadership. Class participation is highly encouraged.

SPECIFIC COMPETENCES and LEARNING RESULTS:
Students will get familiar with an array of asset classes and strategies in Alternative Investments from practitioners. The aim of the program is to critically think about investments, assessing the risk-return profile and pricing credit and real estate assets from a practical perspective.
- Course Description

The first part of the course focuses in introducing alternative investments. The second part focuses on investment process in Hedge Funds and their investment strategies.. The third part is devoted to Real Estate, and advanced portfolio strategies.

The professor will use Excel in the empirical exercises.

DESCRIPTION OF CONTENTS: PROGRAMME

PART I: INTRODUCTION TO ALTERNATIVE INVESTMENTS
History of the alternative investments industry
Role of the ¿Asset Allocator¿ of the future

PART II: ALTERNATIVE INVESTMENTS
Hedge Funds
Private Markets
Real Assets: The case for Real Estate

PART III: ADVANCED PORTFOLIO MANAGEMENT
Integrating alternative investments in portfolio management:
Asset Allocation processes:
The Endowment Model
Pension Fund Portfolio Management
Sovereign Wealth Funds
The Family Office Model

PART IV: ADVANCED TOPICS

New trends in Hedge Funds and Private Markets
Real Assets: Natural Resources & Commodities (pendiente de revisar por parte de David)

LEARNING ACTIVITIES AND METHODOLOGY

The first half of a given session will be lecture driven. The second half will be either a case discussion or a financial modelling workshop. They will work with CAIA Questions.
Students will get familiar and produce financial models. They will work on selected empirical cases with real data.
Students will work in teams on take hope assigments, learning to collaborate and organize the different roles in the team.

ASSESSMENT SYSTEM

The grade will be based on a closed book final exam (60%) and on coursework (40%). You need to do the coursework to pass de course and a minimum grade of 4 out of 10 is needed in the Final Exam to pass the course.

Students that do not meet the minimum passing grade should retake the subject. If the resit is taken, the above grade criteria also apply

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

BASIC BIBLIOGRAPHY

- CAIA Association, Hossein Kazemi, Keith H. Black, Donald R. Chambers Alternative Investments: CAIA Level II, Wiley, 2016
- Bodie, Kane and Marcus Investment, McGraw Hill, 2009
- Donald R. Chambers, Mark J. P. Anson, , Keith H. Black, Hossein Kazemi Alternative Investments: CAIA Level I, Wiley, 2015
- Lo, A,W Hedge Funds: An Analytic Perspective, Princeton University Press, , 2009