

Academic Year: ( 2023 / 2024 )

Review date: 01-12-2023

Department assigned to the subject: Business Administration Department

Coordinating teacher: PEÑA SANCHEZ DE RIVERA, JUAN IGNACIO

Type: Electives ECTS Credits : 6.0

Year : Semester :

**REQUIREMENTS (SUBJECTS THAT ARE ASSUMED TO BE KNOWN)**

Mathematics (Linear Algebra and Calculus), Statistics, Econometrics I and II, Microeconomics III, Financial Economics, Corporate Finance, Financial Systems.

**OBJECTIVES**

- The design and management of Long run and short run investment strategies.

**DESCRIPTION OF CONTENTS: PROGRAMME**

Starting from the fundamental asset pricing equation, firstly the main rational asset pricing theories are reviewed. Then the core ideas of Behavioral Finance are discussed. Then the main approaches in financial investing are presented, based on asset classes, systematic strategies and risk factors, including strategic asset allocation.

**PROGRAM:**

1. The fundamental asset pricing equation
2. Rational asset pricing theories
3. Behavioral Finance
4. Asset classes
5. Systematic investment strategies
6. Asset allocation
7. Securities selection
8. Strategic asset allocation

**LEARNING ACTIVITIES AND METHODOLOGY****Methodology:**

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

**ASSESSMENT SYSTEM**

Exercises, Cases and Final Exam.

Class participation: 10%.

Cases and exercises: 50%.

Final exam 40%

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

**BASIC BIBLIOGRAPHY**

- A. Ilmanen Expected Returns, Wiley, 2011
- J. Campbell and L. Viceira Strategic Asset Allocation, Oxford University press, 2005

#### ADDITIONAL BIBLIOGRAPHY

- H. Minsky Stabilizing an Unstable Economy, McGraw Hill, 2008
- M. Anson Handbook of alternative investments, Wiley, 2006
- N. Monnery Safe as Houses? An Historical Analysis if property prices, London Publishing , 2011