UCLouvain

mlsmm2125

2022

Portfolio Management

5.00 credits	30.0 h	Q2

Teacher(s)	D'Hondt Catherine ;
Language :	French
Place of the course	Mons
Prerequisites	None (at the master level)
Main themes	The goal of this course is to teach students the foundations of portfolio construction and performance measurement. Key topics include: • Return and risk measurement (for equity, fixed-income, and derivative portfolios) • Portfolio construction and management techniques • Performance attribution and presentation standards • Private Wealth Management (Wealth Allocation Framework)
Learning outcomes	**At the end of this learning unit, the student is able to :** 1 At the end of this course, students will be able to: • calculate the risk and return of financial assets using a spreadsheet and the R software; • select the most apporpriate return and risk computation methods when evaluatinfg the portfolio management strategy followed by investor risk; • analyze the composition of the portfolio held by wealthy individuals when making any necessary recommendation for change; • assess the strengths and weaknesses of active and passive management strategies; • construct and evaluate one's portfolio by selecting and combining several securities.
Evaluation methods	Within this course, students' skills assessment is twofold : • Ongoing assessment with mandatory homeworks (related to the Stock Trak portfolio simulation assignment) to deliver during the semester (50% of the final grade) • Written exam with open questions in session (50% of the final grade) The grade of the homeworks is no longer taken into account in case of second session (resit exam=100% of the grade).
Teaching methods	• Lectures • Stock Trak portfolio management assignment • Exercises

Content	• Key concepts
	  • Some useful reminders
	  • Market Efficiency Hypothesis
	  • Key players in the industry
	  • Markets & execution mechanisms
	  • Classification of assets
	  • Market indices
	• The portfolio management process
	• Modern Portfolio Theory and beyond
	  • The importance of diversification
	  • The pitfalls of Modern Portfolio Theory
	  • The Capital Asset Pricing Model
	  • Extensions to the CAPM
	• Performance Measurement
	• Investment strategies
	  • Basic strategies
	  • Strategic Asset Allocation
	  • Tactical Asset Allocation & Security Selection
	  • Style Investment

	• ESG issues in investing
	  • Introduction to Sustainable and Responsible Investment
	  • ESG financial ecosystem
	  • Framework for sustainable finance
	  • ESG strategies

Bibliography	• Bodie, Z., Kane, A., & Marcus, A. J. (2014). Investments (Vol. 10th Edition). New York: McGraw-Hill Education • Portfolio Management: An Overview by Robert M. Conroy, CFA and Alistair Byrne, CFA • Basics of Portfolio Planning and Construction by Alistair Byrne, CFA and Frank E. Smudde, CFA
Other infos	• Teaching material provided in English • Course taught in both French/English
Faculty or entity in charge	CLSM

Programmes containing this learning unit (UE)

Program title	Acronym	Credits	Prerequisite	Learning outcomes
Master [120] in Management	GESM2M	5		🔍
Master [120] in Business Management	GENT2M	5		🔍
Master [120] : Business Engineering	INGE2M	5		🔍
Master [120] in Management	GEST2M	5		🔍
Master [120] : Business Engineering	INGM2M	5		🔍