

Faculty of Economic, Social and Political Sciences



FIN2210

Investment analysis

[45h+15h exercises] 6 credits

Teacher(s): Philippe Grégoire
Language: French
Level: Second cycle

Aims

At the end of the class, students should be able to :

- proposed a portfolio strategy either for institutional or private investors,
- understand how investors determine the level of the expected return,,
- measure and control the performances of the portfolio allocation and selection process.

Main themes

Investment analysis focuses on the portfolio's optimal allocation and on the expected return and the asset pricing that are observed on the market. The key concepts of investment analysis and portfolio theory are covered:

- Optimal allocation within the framework of Markowitz and the Capital Asset Pricing Model,
- Implementation of the theoretical results, mainly through factor models such as the one-factor model (Sharpe) and multi-factors model,
- The level of the expected risk premium on a market. Mainly the Capital Asset Pricing Model (CAPM) and the Arbitrage Pricing Theory (APT),
- Market efficiency and the consequences on portfolio's strategies,
- Ex-post performance measurement, Sharpe, Jensen's, Treynor, etc. and performance attribution (Brinson).

Content and teaching methods

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Other information (prerequisite, evaluation (assessment methods), course materials recommended readings, ...)

Prerequisite: Basics in statistics and probability. Basics in financial management.

Examination : work during the quarter and final written exams.

Documentation and books : Bodie, Kane et Marcus, " Investment ", Mc Graw Hill et de Reilly et Brown, " Investment Analysis and Portfolio Management ", Harcourt.

Pedagogic team : teachers and assistants

Other credits in programs

ECAP22	Deuxième licence en sciences de gestion	(6.5 credits)	Mandatory
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