

MASTER OF SCIENCE IN WEALTH MANAGEMENT
MAÎTRISE UNIVERSITAIRE EN GESTION DE PATRIMOINE

PORTFOLIO MANAGEMENT (S413167)

Prof. Tony BERRADA / Prof. Ines CHAIEB

6 ECTS

Semester: Spring

Teaching language: English

Description

Part I (Tony Berrada): This section of the course starts by reviewing the standard modern portfolio theory with a particular focus on estimation and implementation issues. We then discuss the main performance measures used in the portfolio management industry and assess their relative benefits. Particular attention is given to statistical pitfalls and implementation issues associated to these measures.

We then move on to dynamic asset allocation looking first at the Merton problem and the dynamic programming approach. Then, we consider the martingale approach and the equivalent static problem.

Equipped with these methodologies we look at a number of topics particularly relevant in today's fund management industry including the core-satellite approach, risk parity, risk budgeting and the use of derivatives in asset allocation.

Part II (Ines Chaieb): The second part of the course deals with the theoretical foundations of international investments, empirical evidence, and applications in a real world setting. Globalization is a major trend affecting the asset management industry. We will then discuss international diversification of portfolios and the problem of global asset allocation, international asset pricing, hedging currency risk, factors that generate returns, international securities such as CFs and ETFs, and global performance evaluation.

Part I: I. Mean-Variance; II. Performance measurement; III. Dynamic asset allocation; IV. Other topics.

Part II: I. International diversification; II. International securities; III. International asset pricing models; IV. Hedging international portfolios; V. Other factors generating returns; VI. Global performance evaluation