

Course Information	
Subject	Portfolio Management I
Degree	Master in Finance
Course	First course
Term	First term
ECTS – Credits	
Type of Course	Mandatory
Department	ICADE Business School
Area	Finance
Professor	
Name	Juan Rodríguez Calvo
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COURSE SPECIFICS

Context of the Course
Contribution to the professional profile of the master degree.
<p>Managing portfolios is one of the most complex, passionate and valued jobs in the financial world. Different theories have emerged in order to give some help to be successful.</p> <p>In this course you will also know the personal view of the professor about portfolio manager because of his experience and knowledge in this subject.</p> <p>Besides, the main issues when managing portfolios and how different is managing pension plans, mutual funds or private banking portfolios will also be analyzed.</p> <p>We invite the student to assume the portfolio manager rol in order to create a portfolio.</p>
Class Aims
<ol style="list-style-type: none"> 1. The main purpose of this course is to be able to know the different asset classes that can be part of a portfolio. 2. How to use portfolio management in practice.

CONTENTS

Contents-

Contents
Lesson 1: How to build portfolios.
<ol style="list-style-type: none"> 1.1 Risk – return profile. 1.2 Markowitz and Sharpe: practical application. 1.3 Investments policy and asset allocation. 1.4 Strategic and tactical asset allocation.
Lesson 2: Portfolio Management styles.
<ol style="list-style-type: none"> 2.1 Passive and active portfolio management. 2.2 Portfolio Management for retail and institutional investors.
Lesson 3: Portfolio Management of money markets and fixed income instruments.
<ul style="list-style-type: none"> • Money markets instruments. • Liquidity management. • Fixed income instruments. • Fixed income portfolio management.
Lesson 4: Equity portfolio management.

- Differences of equity portfolio management versus other asset classes.
- How to select and build a portfolio of stocks.

Lesson 5: Mutual funds and pension plans.

Lesson 6: Monitoring and valuation of portfolios.

Lesson 7: Portfolio management performance attribution.

Competences-

Competences

General competences

- CGB 1. Capacity for analysis and synthesis
- CGB 2. Problem solving and decision making
- CGB 4. Ability to manage information from different sources
- CGB 5. Advanced computer skills related to field of study
- CGB 6. Interpersonal skills: listen, argue and debate
- CGB 7. Leadership and teamwork
- CGB 8. Critical and self-criticism capacity
- CGB 11. Ability to learn and work independently
- CGB 13. Action and quality orientation

Specific competences

- CE 1. To understand the main financial products, the national and international markets and the main financial Institutions that operate in each of them.
- CE 2. Find and analyse public information from markets and companies for decision-making processes of investment and financing.
- CE 3 To understand and to apply the principles and models of business valuation, asset portfolio management, the fundamentals of analysis of investment projects and theories that support the construction of efficient portfolios.
- CE 9 Understanding how global credit institutions are managed, the different sources of financing and the way in which a Financial Project is managed, giving a response to the questions of where and how to obtain the money, and how to ask for it from a credit institution.
- CE 10. Global outlook of the most common national and international financial regulation, the market participants and the supervisors. Knowledge of the impacts of the new rules and the consequences of their non-compliance.

TEACHING AND LEARNING

General methodology characteristics of the course	
Classroom methodology: Activities	Competences
<p>It combines lectures with case presentations and readings by students. During the course of each session will review basic concepts contained in the documentation that students have available before each class, and that they must read in depth to ask the arising doubts during the class session. These concepts should be applied by resolving case studies by the students. During the class session the case studies solutions will be debated, allowing delve into the nature of the problem. It is mandatory active participation of students in both the normal development of the class, and in the discussion of the case study, or the exercises if there to be. The driver shaft of the methodology to be used is the practicality of the concepts and skills covered in the sessions. The usual methodological sequence is as follows:</p> <ol style="list-style-type: none"> 1. Statement of the general framework of the subject by the monitor / teacher. 2. Discussion of the conceptual doubts that students have about the subject, and resolving them 3. Practical use of concepts through the analysis of real or fictitious case studies, and / or exercises. 4. Summary of worked concepts and summary of the main conclusions 	<p>CG01, CG02, CG04, CG05, CG06, CG07, CG08, CG11, CG13, CE02, CE03</p>
Methodology - Not in the class: Activities	Competences
<p>The previous study of the documentation for each session, which will be made available to students with sufficient time is required. Analysis and resolution of practical cases, when assigned, which allow the student to make a decision-making exercise like a professional at a financial department of a company. The resolution of the case studies is mandatory and prior to the corresponding session and must be delivered in writing. The resolution of the exercises proposed by the teacher shall be delivered in writing.</p>	<p>CG01, CG02, CG04, CG05, CG06, CG07, CG08, CG11, CG13, CE02, CE03</p>

EVALUATION AND GRADING CRITERIA

Types of Evaluation	Criteria	Weight
Exam, public defence, practical cases and Final Presentation (SE1). FINAL EXAM	To pass the subject, the final exam mark must be at least 4,50. Logic in the answers. Using professional language. Being coherent with the answers.	25%
Individual Test (SE2). In class questions.	At the beginning of each session some questions will be asked to the students.	10%
Public, individual or group presentations (SE3) FINAL CASE PRESENTATION	Some questions will be asked for the public regarding what has been seen in previous classes.	15%
Individual Assignments/Practices/Works (SE4) INDIVIDUAL ASSIGNMENTS/PRACTICES/WORKS, SAME WEIGHT EACH	Formal aspects and content will be the most appreciated.	15%
Group Assignments/Practices/Works (SE5) GROUP ASSIGNMENTS/PRACTICES/WORKS SAME WEIGHT PER EACH	Formal aspects and content will be valued. Extracting paragraphs from internet without a clear reason will be penalized.	15%
Participation (SE6) PARTICIPATION, ACHIEVEMENT OF OBJECTIVES, AND	To be updated with what we are studying and being able to add value to the session will be very much appreciated.	20%

Notes to the evaluation criteria:

1. All students must meet a minimum of 75% attendance in the whole subject.
2. For the exercises, to be taken into account, they must be delivered through Moodle in time and format.
3. If, when combining the criteria, the final grade is equal to or higher than 5, but the minimum grade for the exams or final tests has not been achieved, the final grade will be reduced to a maximum of 4,0 points.
4. In case a student does not obtain a grade of 5,0, the student may take an extraordinary exam. In that case if the student pass the retake exam, his/her final grade in the subject must be a 5,00.
5. If the student does not comply with 70% of the evaluation activities, the weightings of the evaluation system table will not be applied, and the maximum final grade will be 4,0.

Evaluation criteria to apply at second enrolment:

Types	Criteria	Weight
Individual assignments	To pass the course, the student must deliver all the tasks assigned by the teacher	15%
Taking written exams, multiple choice tests, concept tests and solving practical cases as an exam	At least 5,00 points on the final exam, or at least an average of 5,00 on all examination activities.	70%
Participation	To achieve the pass mark, the student is required to help/push into the dynamics of the classes, provide evidence of the achievement of objectives, predisposition, commitment and initiative.	15%

Evaluation criteria to be applied in the case of school waiver/exemption:

In cases of exemption/dispensing from schooling, provided that the student duly justifies it, the grading criteria will be 70% for the exam (if the subject allows it, two exams will be taken, 35% each) and 30% for individual works. The individual works will serve to control the evolution of the student's learning. Only in cases in which the student is not able to answer in writing, and provide evidence that justifies it, the exam may be oral and the content of the student's answers will be transcribed.

Criteria in health alert:

The student must be permanently identified, with an identification in the classroom and with their full name remotely. Students should not change the spaces they occupy in the classroom, unless directed by a teacher or the program management.

Failure to comply with any of the health recommendations during the class sessions may imply failure in the subject.

SUMMARY OF STUDENT WORK HOURS							
ATTENDANCE HOURS							
Lectures (AF1)	Content presentation (AF2)	Homework presentation (AF3)	Exercises and assessment (AF4)	Class discussion (AF5)	Seminars, workshops, case studies (AF6)	Interdisciplinary activities (AF7)	Simulations (AF8)

4	5	2	3	3	2	1	4,5
NON-ATTENDANCE HOURS							
Study and analysis of documentation (AF9)	Performing assignment and case studies (AF10)	Tutorial sessions (AF11)		Conducting collaborative work (AF12)			
20	4	2		6			
ECTS CREDITS: 3 ECTS							

BIBLIOGRAPHY

Recommended Bibliography

Textbooks

Reilly and Brown. Investment Analysis and Portfolio Management. South Western 11th edition Educational Publishing, 2011
 Elton, Gruber, Brown y Goetzmann Modern Portfolio Theory and Investment Analysis. 9th edition. Ed. Wiley & Sons, 2017.
 Bogle, J: Common sense on mutual funds. Ed. Wiley & Sons, 2009

Additional Readings

Bacon, C. Practical portfolio performance measurement and attribution. Ed. Wiley, 2004
 Garcia Paramés, Francisco. Invirtiendo a largo plazo. Ed. Deusto, 2016