

€ TRAINING

Investment Management





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Introduction:

This Investment Management training program is designed to equip participants with the knowledge and skills needed to effectively manage investment portfolios. Through a comprehensive curriculum and practical exercises, attendees learn various investment strategies, portfolio construction techniques, and risk management principles.

Program Objectives:

At the end of this program, participants will be able to:

- Learn about various assets that can be considered to form an investment portfolio, their valuation, and measurement of performance
- Analyze the intrinsic value of traded assets using fundamental valuation theories as well as technical analysis
- Set investment goals and accordingly construct efficient portfolios
- Evaluate the performance of the portfolio.

Targeted Audience:

- Financial analysts seeking to enhance their investment management skills.
- Portfolio managers aiming to refine their investment strategies and techniques.
- Investment bankers looking to deepen their understanding of asset management principles.
- Wealth managers and financial advisors seeking to expand their expertise in investment management.

Program Outline:

Unit 1:

Foundations of Financial Markets and Investments:

- Introduction to financial markets.
- Institutions, and assets.
- Investment as a process.

- Investment philosophies.

Unit 2:

Exploring Financial Markets:

- Money and bond markets.
- Equity markets.
- Derivative markets.
- Managed funds.
- Margin trading.
- regulation of markets.

Unit 3:

Optimizing Asset Allocation:

- Expected portfolio return and variance.
- Definition of risk premium.
- Asset allocation - two assets: mean-variance preferences.
- Optimal asset allocation with a risk free asset.
- CARA utility and normal returns.
- Portfolio frontier.
- Expected return relationships and estimation issues.
- Diversification - the single index model.
- Treynor-Black model, factor models.
- Statistics of asset allocation.

Unit 4:

Mastering Bond Mathematics:

- Bond math.
- Term structure.

- Duration.
- Numerical examples.
- Immunisation of bond portfolios.
- Convexity and immunization.
- Immunization of equity portfolios.

Unit 5:

Exploring Market Dynamics:

- Types of markets.
- Bid-ask bounce - the Roll model.
- Glosten-Milgrom model, Kyle model.
- Discrete version of the Kyle model.
- Limit order markets.
- Statistical arbitrage algorithmic trading, program trading.
- Why market microstructure matters.