UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Financial Portfolio Management

2526-3-E1803M121

Learning objectives

Knowledge and Understanding
The main objective of the course is to understand the policies related to the management of financial portfolios. In particular, the student will be able to:
• Understand the functioning of the securities market (microstructure)
• Know the economic and technical characteristics of the different asset classes (bonds, stocks, managed savings instruments)
• Define asset allocation approaches (portfolio optimization and pricing models)
• Clarify the differences between modern financial theory and behavioural finance
• Understand the relationships between market efficiency theory and the foundations of fundamental analysis (DCF and multiples analysis) and technical analysis

Ability to Apply Knowledge and Understanding
The student will be able to apply asset allocation principles in constructing an ETF portfolio and to use tools for evaluating the performance of financial portfolios.

Transferable Skills:

Independent judgment: Through exercises, the student will develop the ability to assess, analyze, and compare financial portfolios.
Ability to pursue independent study: After the course, the student will be able to independently use the main tools for analyzing financial portfolios

Contents

The course develops an understanding of the role and functioning of securities markets in its two main sectors: the

bond market and the stock market.
Besides this basic understanding, participants will have an overview on more specific topics, such as portfolio management strategies, portfolio perfomance evaluation, market efficiency and behavioral finance. The aim of the course is to allow attending students to acquire the necessary grasp in the use of securities analysis tools

Detailed program

1. Financial markets structure
2. Equity valuation: return and risk measures
3. Bond evaluation: return and risk measures
4. Markowitz portfolio selection theory
5. Capital Asset Pricing Model
6. Portfolio perfomance evaluation
7. Financial markets efficiency and technical analysis
8. Behavioral finance

Prerequisites

Basic knowledge of statistics and financial mathematics

Teaching methods

The teaching is provided in Blended Learning mode and and includes:

• 21 hours of lectures
• 28 hours of autonomous activity to be carried out based on the material provided online (Video lessons / videos /ad hoc readings / websites, use of financial databases)
• 12 hours of class exercises dedicated to technical analysis and the Asset Allocation Contest
During the course delivery period, all students are offered participation (to be carried out in groups) in a specific activity: Asset Allocation Contest.

Assessment methods

During the course delivery period, the verification of learning takes place:

1. weekly via online activities
2. with an end-of-course test carried out in the computer lab and structured with 10 closed questions (multiple choice) and 2 open questions.
   The grading scale for the test is as follows

- 3 points for correct answers to the multiple choice questions (0 if incorrect)
- 15-30 points for answers to the open-ended questions (12 for no answer)

Example: 10 correct closed questions (30); Open question 1: 20; Open question 2: 30
Test grade= (30+30+20)/3 = 26.67

During the official exams, the verification of learning is carried out by means of a written examination.
Written examination: 10 multiple-choice questions + 2 open questions
Grading scale:
-0-3 points multiple-choice questions
-15-30 open questions (12 to no answer)
It will also be possible, at the student's request, to take an oral examination, in addition to the written one, on the teaching material of the course (for both attending and non-attending students)
Up to a maximum of 1.5 points for group works (AAC) will be added to the final mark obtained in the test.

Textbooks and Reading Materials

Economia del mercato mobiliare (Fundamentals of Investments), McGraw Hill Italia.
The textbook is a selection of readings from the book by Jordan, Miller and Dolvin (2021) Fundamentals of Investments: Valuation and Management

Semester

Second semester

Teaching language

English

Sustainable Development Goals

DECENT WORK AND ECONOMIC GROWTH