





Teacher(s)	D'Hondt Catherine ;
Language :	French
Place of the course	Mons
Main themes	<p>The goal of this course is to teach students the foundations of portfolio construction and performance measurement. Key topics include:</p> <ul style="list-style-type: none"> • Return and risk measurement (for equity, fixed-income, and derivative portfolios) • Portfolio construction and management techniques • Performance attribution and presentation standards • Private Wealth Management (Wealth Allocation Framework)
Learning outcomes	<p>At the end of this learning unit, the student is able to :</p> <p>At the end of this course, students will be able to:</p> <ol style="list-style-type: none"> 1 <ul style="list-style-type: none"> • calculate the risk and return of financial assets using a spreadsheet and the R software; • select the most appropriate return and risk computation methods when evaluating the portfolio management strategy followed by investor risk; • analyze the composition of the portfolio held by wealthy individuals when making any necessary recommendation for change; • assess the strengths and weaknesses of active and passive management strategies; • construct and evaluate one's portfolio by selecting and combining several securities.
Evaluation methods	<p>Within this course, students' skills assessment is twofold :</p> <ul style="list-style-type: none"> • Ongoing assessment with mandatory homeworks (related to the Stock Trak portfolio simulation assignment) to deliver during the semester (50% of the final grade) • Written exam with open questions in session (50% of the final grade) <p><u>The grade of the homeworks is no longer taken into account in case of second session (resit exam=100% of the grade).</u></p>
Teaching methods	<ul style="list-style-type: none"> • Lectures • Stock Trak portfolio management assignment • Exercises
Content	<ul style="list-style-type: none"> • Key concepts <ul style="list-style-type: none"> • Some useful reminders • Market Efficiency Hypothesis • Key players in the industry • Markets & execution mechanisms • Classification of assets • Market indices • The portfolio management process • Modern Portfolio Theory and beyond <ul style="list-style-type: none"> • The importance of diversification • The pitfalls of Modern Portfolio Theory • The Capital Asset Pricing Model • Extensions to the CAPM • Performance Measurement • Investment strategies <ul style="list-style-type: none"> • Basic strategies • Strategic Asset Allocation • Tactical Asset Allocation & Security Selection • Style Investment • ESG issues in investing <ul style="list-style-type: none"> • Introduction to Sustainable and Responsible Investment • ESG financial ecosystem • Framework for sustainable finance • ESG strategies

Bibliography	<ul style="list-style-type: none">• Bodie, Z., Kane, A., & Marcus, A. J. (2014). Investments (Vol. 10th Edition). New York: McGraw-Hill Education• Portfolio Management: An Overview by Robert M. Conroy, CFA and Alistair Byrne, CFA• Basics of Portfolio Planning and Construction by Alistair Byrne, CFA and Frank E. Smudde, CFA
Other infos	<ul style="list-style-type: none">• Teaching material provided in English• Course taught in both French/English
Faculty or entity in charge	CLSM

Programmes containing this learning unit (UE)				
Program title	Acronym	Credits	Prerequisite	Learning outcomes
Master [120] in Management	GESM2M	5		
Master [120] in Business Management	GENT2M	5		
Master [120] : Business Engineering	INGE2M	5		
Master [120] in Management	GEST2M	5		
Master [120] : Business Engineering	INGM2M	5		