Syllabus
Course description

Course title	**ASSET MANAGEMENT AND PERFORMANCE ANALYSIS (FIN III)**
Course code	**25409**
Scientific sector	SECS-P/11
Degree	LM-77 Accounting and Finance
Semester and academic year	2nd semester 2023/2024
Year	2
Credits	6
Modular	No

Total lecturing hours	36
Total lab hours	-
Total exercise hours	-
Attendance	Highly recommended. Student planning to regularly attend course, must register through UNIBZ course OLE (Open Learning Environment) platform **as attending student** in order to be able to actively participate at lectures and other classroom related activities. Student not attending course must register through UNIBZ OLE platform **as not attending student** in order to be able to download teaching material required to study for final exam preparation.
Prerequisites	Undergraduate introductory courses in finance, and in addition graduate/master level first year classes in Financial Mathematics and Macroeconomics.
Course page	https://www.unibz.it/en/faculties/economics-management/master-accounting-finance/study-plan-finance-and-financial-markets/

Specific educational objectives	Asset Management and Performance Analysis (AMPA) is a second-year course for students attending the M.Sc. in Accounting and Finance. AMPA is a graduate course designed to provide the student with the background theory and the quantitative tools that are necessary for understanding and be able to work on passive and active investment management. The course content is consistent with curriculum program in Portfolio Management and Investment performance evaluation adopted by the CFA Institute to students seeking designation as a Chartered Financial Analyst (CFA).

	The course builds on topics previously covered in undergraduate courses in finance and introduces new advanced topics. The main subject areas covered in the course are: Asset pricing theory: portfolio, diversification, factor pricing, and effects on market efficiency; international diversification; performance analysis; Green and sustainable factor investing. Examples of questions and topics we will address in class are: Which investments are the riskier one? How much riskier are they? And how much extra return is required to compensate someone for accepting extra risk? How we should evaluate an investment performance relative to a benchmark portfolio such as a general market index, or a sector index? The course will alternate background sessions with in-class exercises and simulation. The main educational objective of AMPA course is to train students on how to translate investment ideas into a portfolio that achieves a specific investment objective. For example, a mutual fund manager might want to maximize the Sharpe Ratio for her portfolio – the expected portfolio excess return over the riskless rate divided by the standard deviation of the portfolio return. Although theory and textbook discussions on how to approach that task give important insights, in the real world, execution is far more complicated, resembling more art than science.

Lecturer	Maurizio Murgia Office SER E501 Tel. 0471/013110 maurizio.murgia@unibz.it https://www.mauriziomurgia.com
Lecturer Scientific sector	13/B4 – SECS-P/11 – Economics of Financial Intermediaries and Financial Markets
Teaching language	English
Office hours	18 – Please refer to the lecturer's web page
Lecturing assistant	-
Teaching assistant	-
Office hours	-
List of topics covered	The main subject areas covered in the course are: Asset pricing theory: portfolio management and diversification, factor pricing, and effects on market efficiency and inefficiency, performance analysis and investing in green and sustainable assets.
Teaching format	Classroom activity will alternate background lectures, exercises, and investment management simulations

Learning outcomes	**LEARNING OUTCOMES:**
	<u>Knowledge and understanding:</u>
	Knowledge and understanding of the valuation and pricing of securities in financial markets. The AMPA course takes the perspective of capital market investors, as the issuers' perspective is covered in the first-year master class of Advanced Corporate Finance. Students will learn modern portfolio and asset pricing theory and practice real world investment management and performance analysis.
	<u>Applying knowledge and understanding:</u>
	Ability to use modern finance theory, financial models, statistical and investment analysis to be used in passive and active investment management. Although the basic principles and fundamental trade-offs of risk-return remain important, students will learn the difference between theory predictions and the challenge of making investments in a nearly efficient and not entirely well developed and organized capital markets.
	<u>Making judgments:</u>
	The course combines the latest academic thinking with hands-on business practice and its main goal is that attending students should develop by the end of classroom activity an expanded ability to analyze and think about sound investment decisions, and to defend these decisions with analytical reasoning.
	This course will use a combination of background lectures, technical notes, outside readings, case discussions, and online simulations to study Asset Management and Performance Analysis.
	Students are expected to have thoroughly read all the assigned material in advance of the class to ensure better understanding of the issues involved and to have meaningful class participation.
	<u>Communication and Learning skills:</u>
	Students should carefully read book chapters and supplemental readings and be prepared to discuss all assigned cases and to prepare investment simulation. They can expect to be asked in class to present their investment ideas and strategic asset allocations. Students should expect to work intensively outside of class time. Exercise and quantitative problems and supplemental readings (to be found in the Library course shelf and Online Reserve Collection) are detailed in the course

	detailed syllabus and outline available in course OLE platform.

Assessment	<u>Attending Students</u> Student final grade will be a weighted average of a in-class mid-term test (50%) and a final exam (50%). Please note that mid-term test grade is valid for one academic year and cannot be carried over beyond that time. <u>Not Attending Students</u> Not attending students will be assessed through a final exam test (100%) that covers all course material.
Assessment language	English
Evaluation criteria and criteria for awarding marks	Final exam is a computer written test. Students are allowed access to MS-Office software and quality of written English is essential to earn the passing grade. Excel quantitative analyses are a central part of final exam. Students must generate spreadsheet pdf of their exam and provide clear explanation of financial formula used to address exam questions.

Required readings	Zvi Bodie-Alex Kane-Alan J. Marcus, Investments, 11th Edition, MacGrawHill 2018 – Part II (Ch. 5-6-7-8), Part III (Ch. 9-10-11-13), Part VII (Ch. 24-25). Some further readings and notes could be available in course UNIBZ Library Reserve Collection (ULRC) or handed out in advance of specific class sessions. However, ULRC could be accessed through Course OLE Platform.
Supplementary readings	Teaching Slides and case studies to be downloaded from course UNIBZ OLE Platform.