



## ES50106

# Financial investment management

<b>Lecturer</b>	Dr Andreas Krause
<b>Lecturer e-Mail</b>	<a href="mailto:mnsak@bath.ac.uk">mnsak@bath.ac.uk</a>
<b>Office hours</b>	Mondays, 9.00-11.00 in 3E4.26 (no appointment needed)
<b>Lecture time</b>	Mondays, 11.15-12.45 in CB4.10
<b>Seminars</b>	Tuesdays, 13.15-14.05 in 4E3.19 in weeks 3, 5, 8, 10, 11
<b>Webpage</b>	<a href="http://people.bath.ac.uk/mnsak/teaching/ES50106">http://people.bath.ac.uk/mnsak/teaching/ES50106</a>

### Unit overview

This unit continues with a basic coverage of aspects in financial markets, focusing on asset management. We will cover basic portfolio theory, strategic and tactical asset allocation as well as aspects of risk management.

Additionally exercises will be distributed for students to solve; these exercises are discussed regularly in the seminars.

### Required texts

Most of the contents covered in the lectures can be found in the following books:

J. Y. Campbell, L. M. Viceira: Strategic Asset Allocation, OUP 2002

W. Lee: Theory and Methodology of Tactical Asset Allocation, Wiley 2000

## Unit outline

<i>Week</i>	<i>Topic</i>	<i>Readings</i>
1	Utility Theory	Handout
2	Portfolio selection theory	Handout
3	Myopic portfolio choice	CV, Chapter 2
4	Consumption and portfolio choice	CV, Chapter 3
5	Portfolio choice with labor income	CV, Chapters 6-7
6	Tactical asset allocation	Lee, Chapter 2
7	Performance measurement	Lee, Chapter 3-4
8	Tactical bets with multiple signals	Lee, Chapter 6
9	The Black-Litterman approach	Lee, Chapter 7
10	Risk Management	TBC

## Unit assessment

The assessment of this unit will consist of a group coursework with a weight of 30% and an open-book examination lasting two hours having a weight of 70%. More details will be given at the appropriate time.