

How to invest (and survive) in the financial markets (using the Finance Lab)

Optional course of 3 ECTS

Lecturer(s): Francesc Prior

1. Course presentation

In this course the student will obtain an exhaustive view of Mutual funds, Exchange Traded Funds and Private Equity Funds. The student will have an overview of these three types of funds, their advantages, the normative framework of operation, the elements involved in this investment, its valuations, commissions, and the right of information to unitholders. Students will also learn the operation of the different types of funds and the objectives of the investment.

2. Objectives of the course

At the end of the course the student should be able to:

- Know the characteristics that define the mutual fund industry as well as their typology.
- Understand how Exchange Traded Funds can be used as a tool for asset management.
- The student must be able to plan an asset optimization structure that integrates funds of equities, bonds and alternative assets as financial products with a certain level of risk and profitability.

3. Course content

- Investment Funds - The Concept
- Regulations, Structure and Constituents of Investment Funds
- Types of Investments Funds
- Mutual Funds
- Evaluation of Performance of Investment Funds
- Bond Fund Portfolios
- Equity Fund Portfolios
- Private Equity Funds
- Exchange Traded Funds
- Tactical Asset Allocation

4. Methodology/Training Activities

There are two types of training activities:

1.- Exposition and reading of theory:

It corresponds to the exposition of the subject by the teacher and to the study of the subject by the student. This activity seeks to know the theoretical fundamentals of the subject, as well as the main basic concepts needed to understand investment strategies.

2.- Practical exercises and case discussion

It corresponds to the preparation by the students of the practices corresponding to each theoretical theme and the preparation of a work and its subsequent presentation. In this activity, the knowledge that leads to the specific competences is assimilated. This section takes into account both the practical sessions, the seminars and tutorials that are developed during the course, and the sessions of continuous evaluation. The work is carried out individually or in a group and is aimed at the practical application of the knowledge acquired to understand and plan assets using instruments such as investment funds.

5. Evaluation

The course is assessed with on-going evaluation. Attendance and participation in class is essential to achieve the learning objectives of the course and cannot be less than the current policy on the IQS School of Management.

The final grade of the course responds to criteria of continuous evaluation and will be the result of applying the following percentages: 30% for the Continuous assessment tests, 30% for the participation in class and 40% for the delivery of the final project.

The evaluation will be based on the following criteria and percentages:

Assessment system	%
1. Continuous assessment tests	30%
2. Class participation and activities	30%
3. Team Project	40%

6. Resources

We will be using the financial lab at IQS school of Management

7. Bibliography

- Kinnel, R.: FundSpy, Morningstar Inside Secrets to Selecting Mutual Funds That Outperform. New Jersey: John Wiley & Sons. Last edition.
- Mutual Fund Industry Handbook: A Comprehensive Guide for Investment Professionals. Lee Gremillion .June 2012
- A Quantitative Approach to Tactical Asset Allocation. Mebane T. Faber. Spring 2007, The Journal of Wealth Management
- Strategic and Tactical Asset Allocation: An Integrated Approach. Henrik Lumholdt .January 2018. IE University