

| | |
|--|---------------------------------------|
| Title of the Modules: Management of International Asset Portfolios | Lecturer: Prof. Dr. Tomfort |
|--|---------------------------------------|

Programme: M.Sc. International Finance

Required Preconditions:

Knowledge in investment theory, financial markets and economics

Learning Outcomes and Competences:

The aim of this course is to improve the students' knowledge of the management of international asset portfolios. After successfully completing this course, the student will know the most relevant aspects of practical asset management techniques in an international environment. These practical matters will be built upon an in-depth theoretical understanding of the basic principles in capital market finance. Furthermore, the student will gain insights into a lot of empirical examples and patterns.

Content of Course:

- Asset Allocation Process: benchmarking, risk classes & portfolio types, active management, Optimisation processes in the asset & liability management
- Money market management: products and their use in practical management
- Active bond management: types of bonds, management of duration, credit management, the use of options and futures for hedge purposes
- Active stock management: evaluation tools, sector and stock selection, the use of options and futures for hedge purposes
- Currency management: analysis of foreign currency risk, forms of currency hedging
- International diversification: reasons and risks

Literature Recommendations:

1. Futures, Options & Swaps v. Robert W. Kolb, Blackwell Publishers 2002; Investment Management v. Frank J. Fabozzi, New Jersey 2002
2. Modern Portfolio Theory and Investment Analysis/Edwin J. Elton & Martin J. Gruber; John Wiley & Sons Inc.; 2006
3. Investment Analysis and Portfolio Management v. Frank K. Reilly & Keith C. Brown, 2005 Southwestern C.P.
4. Return Targets and Shortfall Risks/Martin L. Leibowitz; Lawrence N. Bader, Stanley Kogelman; Times Mirror Higher Education Group; 1995
5. A Survey of Behavioural Finance, Nicholas Barberis, Richard Thaler, NBER, Working Paper 9222, Sept. 2002
6. Technical Analysis of the Financial Markets/John J. Murphy, 1999, New York Institute of Finance