



Portfolio Management II - Online

Building on Portfolio Management I, this course explains in greater detail how to value fixed income and equity securities, and explains the roles of global investing, emerging markets, alternative investments, indexation, and style investing. It illustrates specific ways to analyze portfolios, including the Sharpe Ratio and performance attribution analysis.

This is an asynchronous eLearning course that can be accessed 24/7 from any internet enabled computer. Subscription period for this course is 90 days.

Available Session(s):

Available Today

Online

USD \$399

Online

Instructor(s):[]

Targeted Audience

Junior portfolio managers, money managers, research analysts, client services staff, consultants, individual and institutional investors, private bankers and financial advisors, research staff members of pension boards and plan sponsors.

Advance Preparation

No advance preparation required.

Prerequisites

Portfolio Management I or equivalent level of knowledge

Learning Objectives

Students will be able to:

- Apply the concept of discounted cash flow, or compound interest, to bond valuation
- Recognize the significance of bond prices and how bond yields are calculated
- Explore strategies for deciding what bonds to buy
- Recognize how bond yield is linked to a benchmark
- Identify the four theories that explain the shape of typical bond yield curves
- Define volatility and identify the factors that affect it.

- Identify duration strategies (modified duration and convexity) and recall their benefits.
- Identify the best bonds when calculating convexity.
- Identify three dividend discount models
- Calculate corporate value
- List key elements of the Capital Asset Pricing Model Identify the major theories of portfolio management, including the Efficient Markets Hypothesis, Diversification and Correlation, the Efficient Frontier, Capital Asset Pricing Model, and Arbitrage Pricing Theory.
- Discuss how diversifying a portfolio can reduce its risk. Explain how risk and return vary for different combinations of assets, leading to the development of the efficient frontier.
- Explain how specific risk differs from market risk, as postulated by the Capital Asset Pricing Model
- Use various risk measures to build a portfolio balancing risk and return.
- Identify the advantages, benefits, and risks of global investing and investing in emerging markets.
- Recognize key alternative investments.
- Describe the investor suitability criteria that a fund manager should consider before integrating alternative investments into a portfolio.
- Explain the benefits and disadvantages of using index funds for the investor and the portfolio manager.
- Explain indexation techniques suitable for the passive investor.
- Compare the traits of top-down vs. bottom-up market segmentation.
- Identify the role of equity market expectations in earnings growth.
- Distinguish between value investing and growth investing
- Identify yield curves corresponding to the relative performance of growth and value portfolios
- Contrast stock and market traits that can influence style investing strategies.
- Explain the importance of risk adjustment when comparing one portfolio to another. Distinguish between Sharpe's ratio and Treynor's ratio. Discuss performance attribution analysis. Recognize the significance of Global Investment Performance Standards (GIPS).

Level: Basic

CPE Credits: 8

Instructional Method: Self-Study

Detailed Outline

Bond valuation

- Discounted cash flow
- Valuing fixed income instruments
- Theories behind the yield curve

Volatility and duration

- Factors affecting bond volatility
- Duration, modified duration and convexity

Advanced equity valuation techniques

- Dividend discount models
- Free cash flow approach
- Capital asset pricing model

Portfolio management theory

- Modern portfolio theory
- Asset pricing theory
- Arbitrage pricing theory

Global investing and alternative investments

- Advantages of global investing
- Emerging markets
- Types of alternative investments
- Assessing investor suitability for alternative investments

Indexation

- Birth of indexation
- Advantages and disadvantages
- Indexation techniques

Style investing

- What is style investing?
- Style categories

Portfolio management evaluation

- Risk-adjusted measures
- Performance attribution analysis
- International performance standards

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