



SYLLABUS

Investment Selection

Academic year 2024/2025

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1. General Organization

1.1. Subject Information

Subject Information	Topic	Investment Selection
	Topic Code	2410-11_2MaAPF_FT-EN-07A
	Program Name	Master in Advice and Financial Planning Official Program of Universidad Internacional de la Empresa
	Credits	6 ECTS
	Type	Compulsary
	Year	First
	Period	Second
	Language	English
	Teaching Modality	Presencial
	Recommended study dedication per 1 ECTS	25 hours

1.2. Faculty

Teacher's name	Dr. Ahmed Bakri PhD in Finance and MSc in International Finance from the University of Dundee, Scotland, UK. Bachelor's degree in Banking and Finance.
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1.3. Subject Presentation

This subject will start with a basic approach to financial assets and portfolios of assets referring to the concepts of return and risk, volatility and diversification. The normality hypothesis and the efficiency of markets in relation to the theory of efficient portfolios will be studied. The selection of optimal portfolios, the Sharpe Market Model, the CAPM and the new technical models will be studied. All aspects of portfolio management and investment policy will be covered. The different measures of return and risk and their comparison with benchmark indices will also be covered. Finally, the procedures for the valuation of portfolio management results and their communication to clients will be defined.

1.4. Learning Results

ASSIGNED LEARNING OUTCOMES FOR THE PROGRAM:

CC1: Understand the philosophy and use of financial mathematics and its implications for decision-making.

CC2: Understand portfolio theory and investment selection, from its origins with Markowitz to recent developments in intelligent algorithms.

CC5: Understand financial risk measurement and advanced techniques for managing those risks.

CC6: Understand the appropriate way to communicate financial results.

CP1: Develop the planning and marketing of financial products.

CP2: Formulate a strategy for managing alternative non-financial investments.

CP4: Design complex investment strategies using derivative products.

CP8: Design a financial plan and its customized control measures according to the client's risk profile.

At the end of this course, the student is expected to:

HD3: Use the appropriate tools to analyze investment results and the risks assumed.

HD4: Apply asset allocation techniques aligned with specific investment policies.

HD5: Properly analyze the potential of current and future clients.

HD6: Correctly interpret various profitability and performance indicators.

HD7: Use information and communication technologies in different areas of finance and economics.

LEARNING OUTCOMES OF THE COURSE:

Students will acquire a broad range of technical knowledge that will enable them to make appropriate investment selections for each type of client.

2. Content

Teaching Unit 1.- Risk and Performance Framework

- 1.1. Risk measurement
- 1.2. Performance measurement

Teaching Unit 2.- Efficient Capital Markets

- 2.1. Concept of efficiency
- 2.2. Efficiency hypothesis
- 2.3. Consequences of efficiency

Teaching Unit 3.- Portfolio Theory I

- 3.1. Basic aspects of portfolio management
- 3.2. Volatility, covariance, correlation
- 3.3. Markowitz model

Teaching Unit 4.- Portfolio Theory II

- 4.1. Systematic and unsystematic risk

- 4.2. Beta
- 4.3. Portfolio management through CAPM

Teaching Unit 5.- Asset Allocation

- 5.1. Asset allocation
- 5.2. Developing model portfolios
- 5.3. Types of asset allocation

Teaching Unit 6.- Performance Measurement and Attribution

- 6.1. Risk-adjusted performance
- 6.2. Benchmarking
- 6.3. Asset selection

3. Teaching and Learning Methodologies

- The theoretical classes will be conducted as seminars in which the instructor will convey the fundamental pillars of the subject matter, and the students will interact with the instructor. The teaching materials for theoretical content will be available to students through the virtual campus.
- The practical classes will involve exercises, spreadsheets, simulators, or computer applications. The teaching materials for practical content will be available to students through the virtual campus.
- To promote studying and understanding of the subjects, the teachers will propose various self-assessment tests for the students.
- Academic tutorials will be provided, which include regular individual and/or group meetings between the faculty and students. During these sessions, students can seek clarification on theory, practice, exercises, problems, or practical cases.
- Personalized attention will be given to the possibility of tutoring to provide additional support to students as needed.

4. Activities

Activity	# Hours	Face to face (%)
Lectures	20	100
Practical sessions problem-solving, case studies, etc.	24	100
Self-assessment tests	2	0
Academic tutorships	12	33
Related activities: conferences, seminars, etc.	6	67
Preparation of lectures	20	0
Preparation of practical sessions / problems / case studies	29	0
Preparation of tests	30	0
Other training activities: viewing of videos, debates and constructive criticism, recommended reading, bibliographical commentaries, etc.	5	0
Theoretical-practical written exam	2	100
TOTAL	150	

5. Assessment

5.1. Assessment methods

The Student Assessment Model at the University follows the principles of the European Higher Education Area (EHEA).

Evaluation System	Weighting
Continuous assessment activities*	50 %
Weighting of each activity: Continuous evaluation: 40% Carrying out individual or group work related to each subject in which the student can contribute the knowledge acquired and their vision in real cases of advice and financial planning. Continuous evaluation: 5% Carrying out self-assessment tests to assess the student's assimilation of knowledge and skills. Continuous evaluation: 5% Participation and seminars, where the development of competencies is evaluated through the student's interventions and presentations in class.	
Evaluation System	Weighting
Objective tests*	50%
Compulsory exam to verify the degree of theoretical and practical learning of the student on the global content of the subject.	

***In order to pass the course it is mandatory to obtain a minimum average of 5 points in each part independently (Continuous assessment activities and Exams)**

The final grade will be calculated using the weighting described above, except in the case of failure to pass at least one of the two sections. In the latter case, the final grade will be the lowest grade between the continuous assessment activities and the exams.

For sanctions associated with lack of academic honesty, the 'Normativa General de Evaluación y Calificación de la Universidad y la Normativa de Convivencia y Reglamento Disciplinario de Estudiantes' (General Regulation for Assessment and Qualification of the University and the Coexistence and Disciplinary Regulations for Students) will be applied. In particular, the use of content authored by someone other than the student himself must be adequately cited in the submitted work. In the event of a coincidence of more than 15% -reproducing information from sources without properly citing them-, the sanction will be a fail grade (0) in the activity in which it is detected.

In case of repeated behavior, the penalty will be a fail grade (0) in the subject and loss of the call in which the infraction occurred, in addition to the decision taken by the

disciplinary committee for being a very serious infringement. Likewise, the use of fraudulent means during the exams will imply a fail (0) and may imply the opening of a disciplinary file.

In order to be assessed in ordinary call, you may not have more than 25% of absences in attendance.

In extraordinary call, the same competences/learning results will be assessed using the same system as in ordinary call. The student must repeat only the evaluative activities that he/she has not passed in ordinary call. Only students who have obtained a final grade of "Fail" or "Not submitted" may apply for extraordinary call.

5.2. Grading system

The course grade will be established on a numerical scale from 0 to 10, with the following associated qualitative grades:

Nivel de Competencia	Calificación Oficial	Calificación Cualitativa
Muy competente	9,0 - 10	Sobresaliente
Competente	7,0 - 8,9	Notable
Aceptable	5,0 - 6,9	Aprobado
Aún no competente	0,0 - 4,9	Suspenso

The mention of "Matrícula de Honor" ("Honors" degree) may be awarded at the discretion of the teacher to students who have obtained a grade equal to or greater than 9.0. One honors degree may be awarded for every 20 students when the teacher of the subject considers the performance of the candidates have been exceptional. In the event that the number of students in the group is less than 20, just one Honors Degree may be awarded.

In each of the activities carried out, **the achievement of the learning results** will be measured, with impartiality and objectivity.

6. Bibliography

- Brigham, E. F., & Houston, J. F. (2021). Fundamentals of financial management: Concise. Cengage Learning.
- Bodie, Z., Kane, A., Marcus, A. (2018). Essential of Investments (11th ed.) McGraw-Hill Education.

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