Asset Management

ECTS : 3

Volume horaire : 18

Description du contenu de l'enseignement :

Asset management is a professional activity whose purpose is to manage funds entrusted by institutions or individuals. It is a profession regulated by financial market authorities and requires expertise in understanding market developments, portfolio construction, and adapting to a particular strategy to pursue the client's objectives. Analyzing risk factors such as market risk, credit risk, operational risk, and establishing performance ratios are necessary to optimize the value of a portfolio. The asset management activity is governed by significant legislation and requires ethical and transparency considerations to ensure a high level of trust and compliance. This profession involves finding the right balance between risk-taking and portfolio growth potential.
The course begins by introducing the asset management activity and presenting its ecosystem. It then describes the different asset classes, management methods and strategies for building and managing a portfolio. Furthermore, it focuses on understanding risk analysis and performance calculations. Finally, the course assesses the trends in asset management considering new technologies and the evolution of
clients' requirements e.g. in terms of sustainability and ESG. This course isn't on Moodle.
1 **Introduction to asset management**: definition of asset management, terminology,
overview of asset classes
2 **What is an asset management company**: functions and services offered, client
segmentation and value proposition, ecosystem
3 **Asset management approaches and strategies (1/2)**: active vs. passive management,
data-driven models, non-numerical factors, considering ESG approaches
4 **Asset management approaches and strategies (2/2)**: how strategies align with investment goals and risk tolerance, main strategies (growth, value, etc.), risk-adjusted strategies
5 **Products families**: equity, fixed income, alternative investments (hedge fund, private equity, real estate, commodities, cryptocurrencies), cash, structured products
6 **Risk analysis and performance calculations**: types of risks, risk assessment, tools (risk matrix, SWOT, VaR, stress tests, etc.), mitigation, performance metrics, common challenges (data quality, biases)
7 **Mid-term Exam**
8 **Mid-term Exam reviewing.**
Main regulation principles: key bodies and framework, core principles (transparency, investor protection, ethics and governance), risk management and compliance
9 **Introduction to major IT tools** (management, risk, operations): portfolio management, risk management, compliance, data analytics and visualization
10 **Trends shaping the future of asset management (1/2)**: overview of technological advancements, rise of sustainable investing, changing client demands
11 **Trends shaping the future of asset management (2/2)**: challenges (globalization, geopolitical factors, industry consolidation), interactive discussion and brainstorming on potential solutions
12 **Final Exam**

Compétence à acquérir :

The purpose of the course is to raise the understanding of asset management with a first level of knowledge of the ecosystem, fundamentals of portfolio management, risk analysis and performance. This course is positioned at a theoretical level and prepares for entry into the master's degree.

Mode de contrôle des connaissances :

- Graded 50% on mid-term exam and 50% on final exam
The passing grade for a course is 10/20.
Attendance
Attendance is mandatory. Students are expected to attend all classes, arrive on time, and stay for the entire session. Repeated absences or lateness may affect the final grade.
Class Participation
Active participation is encouraged, as it contributes to making classes more engaging and instructive. Students are expected to come prepared and contribute thoughtfully to discussions. When participation is part of the course assessment, it is evaluated

based on the quality of contributions rather than their quantity.

Exam Policy

Students are not allowed to bring any materials into exams, except those explicitly authorized by the instructor. Unexcused absences from exams or failure to submit assigned cases will result in a grade of zero when calculating final averages. All exams must be submitted at the end of the examination period.

Communication and Grading

All questions or concerns regarding grading or course policies must follow the official procedures. No direct negotiation with instructors about grades or assessments is permitted.

Be aware of the rules in Université Paris Dauphine about plagiarism and cheating during exams. All work turned in for this course must be your own work, or that of your own group. Working as part of a group implies that you are an active participant and fully contribute to the output produced by that group.

Bibliographie, lectures recommandées :

- "Common Sense on Mutual Funds" by John Bogle - an introduction to asset management by the founder of Vanguard Group;
- "Searching for Alpha: The Quest for Exceptional Investment Performance" by Ben Warwick - A great introduction to the industry with engaging stories and lessons;
- "The little book of valuation" by Aswath Damodaran - make your own valuation assessments by a step-by-step process of picking.

With more than 25 years of experience in financial services,**Fadi Lahoud** has varied experience in different banking businesses (private banking, asset management, retail banking, investment banking). He has a dual background in consulting and banking, having held management positions in both. Throughout his professional experience, he worked on improving the efficiency of organizations and businesses, from strategic definition to implementation. He currently leads an investment advisory firm dedicated to highnet-worth individuals.

Fadi has an engineering background and holds an executive M.B.A. from HEC Paris. He is also certified Independent Financial Advisor from the French Financial Market Authorities (AMF).