



## ECSM CERTIFICATION WORKSHOP COURSE OUTLINE

**COURSE TITLE: BASICS OF PORTFOLIO MANAGEMENT AND ASSET ALLOCATION**

**COURSE CODE: ECSM1008**

### **COURSE DESCRIPTION**

This course covers basic knowledge about investments, trading of securities and financial market operations. It offers a blend of Modern Portfolio Theory with the basic statistics and portfolio mathematics, which is necessary for understanding theoretical modeling for risk & return analysis. It discusses investor objectives and constraints and considers how to optimally form a portfolio through diversification strategy and finally how to measure portfolio performance relative to investment objectives and benchmarks.

### **COURSE LEVEL**

The course is designed for persons with a first Degree in Finance or similar certification or working knowledge in the areas of finance and financial performance analysis and are willing to make themselves acquainted with the tools and techniques of asset management.

### **LEARNING OUTCOMES – What You Will Know and Be Able To Do**

At the conclusion of the course you should:

- Understand investment markets as they relate to corporations and individuals
- Understand and be able to discuss the fundamental concepts underlying portfolio investment decisions
- Be able to structure and present investment plans for attaining desired objectives
- Be able to apply the basic theories and modern methodologies in portfolio analysis including performance measurement

### **CONTENT OUTLINE AND COMPETENCIES – What You Will Cover**

You'll Review the Different Types of Securities including Bonds, Equities, CIS and Investment Markets as they relate to Corporations and Individuals and how to apply the theoretical knowledge to real life and practical situations in working with clients; helping them decide among various investment choices.

#### **Topics:**

- Financial Instruments and Investment Vehicles
- Concept of Diversification ( benefits of not putting your eggs in one basket)
- Modern Portfolio Theory
- Active Vs Passive Portfolio Management
- Basics of Asset Allocation
- Bond Portfolio Management Strategy
- Equities Trading Activities

- Technical Analysis vs Fundamental Analysis

COURSE CODE: ECSM1008

## EXPANDED LEARNING OBJECTIVES

Participants will Learn

### **How to formulate investment strategies and structure portfolios**

- Financial markets and Investment vehicles
- Investment policy formulation
- Performance Objectives and Constraints
- Investment strategy and portfolio optimization
- Selection of Asset types, sectors and industries

### **How to Measure Portfolio Performance**

- Quickly analyze performance on an absolute or relative basis
- Sources and measurements of risk and return
- Qualitative and quantitative methods for evaluating returns
  - PE Ratio
  - Rate of return
  - Dividend Yield
  - Preservation of capital
- Investment tools, including economic indicators
- Appropriate benchmarks

### **How to Use Market tools and indices**

- Capital Asset Pricing Model (CAPM)
- Portfolio tracking
- Market Indicators/tracking
- Equity Indexes
- Money market rates
- Exchange rates