Subject card

Subject name and code	Portfolio Management, PG_00129954						
Field of study	International Business						
Date of commencement of studies	October 2024		Academic year of realisation of subject		2025/2026		
Education level	Master’s studies		Subject group		Obligatory subject group in the field of study		
Mode of study	full-time studies		Mode of delivery		at the university		
Year of study	2		Language of instruction		Polish English 100%		
Semester of study	3		ECTS credits		3.0		
Learning profile	academic		Assessment form				
Conducting unit	Department of Transport Economics -> Faculty of Economics -> Rector						
Name and surname of lecturer (lecturers)	Subject supervisor		dr hab. Przemysław Borkowski				
	Teachers						
Lesson types	Lesson type	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	Number of study hours	30.0	0.0	0.0	0.0	0.0	30
	E-learning hours included: 0.0						
	Additional information: Lectures with multimodal presentations. Use of spreadsheets and Eikon lab.						
Learning activity and number of study hours	Learning activity	Participation in didactic classes included in study plan		Participation in consultation hours	Self-study		SUM
	Number of study hours	30		20.0	25.0		75
Subject objectives	The aim of this subject is to make students familiar with investment strategies and portfolio management theory and practice						

Learning outcomes			
	Course outcome	**Subject outcome**	**Method of verification**
	[IBMU2_U01] can creatively interpret, explain and analyse complex economic phenomena and the relations occurring between them, using the acquired knowledge in international business and international economic and financial relations	Student is able to apply theoretical instruments of CAPM or APT into solving portfolio investment problems as well as is able to assess portfolio value using methodes like VaR	[SU2] presentation/project/paper/ report [SU5] implementation of a problem task
	[IBMU2_K01] Is ready to recognise the importance of knowledge of international business in the process of identifying and solving business problems and the need to consult experts in cases of complex issues	Student understands limitations of portfolio theories in developing investment strategies in practical sense. Understands the role of professional portfolio managers in the process.	[SK1] oral statement/conversation/ discussion [SK5] implementation of a problem task
	[IBMU2_K05] is ready independently identify, diagnose and resolve dilemmas and alternative solutions related to international business	Student is able to evaluate investments, forecast and plan investment strategies, manage portfolios, ,easure their performance and risk, make strategy changes	[SK2] presentation/project/paper/ report [SK5] implementation of a problem task
	[IBMU2_K02] is ready to critically assess the level of acquired knowledge, skills and professional competence in the area of international business	Student understands limitations of portfolio thories in developing investment strategies, is able to think independently and solve complex portfolio choice problems, select assets and manage portfolio in various setups	[SK2] presentation/project/paper/ report [SK5] implementation of a problem task [SK8] observation of student's independent or team work
	[IBMU2_W06] has knowledge of the world economy, economic ties and the regularities governing them, principles of global market functioning and international economic and financial relations as well as the process of their evolution; understands the causes, regularities and consequences of occurring changes;	Student knows how international investment markets operate, understands how international and global stock exchanges work as well as knows how international portfolio funds operate	[SW1] oral statement/ conversation/discussion [SW2] presentation/project/paper/ report
	[IBMU2_W03] knows terminology in the field of international business, international economics and financial relations and complementary disciplines	Student knows the terminology in regard to financial markets and portfolio management	[SW1] oral statement/ conversation/discussion [SW2] presentation/project/paper/ report [SW5] implementation of a problem task

Subject contents	1. Principles of asset allocation (2 h.) Basics of investment decisions, assets and investment needs; investors life-cycle; principles of asset allocation. 2. Basic asset classes (2h) Shares, bonds, fixed income securities, duration, credit, CDS. Non-financial assets in portfolios. 3. Capital Asset Pricing Model (2 h.) Application of Capital Asset Pricing Model (CAPM), Arbitrage Pricing Theory as an alternative approach (APT) 4. Basics of portfolio theory (2 h.) Principles of Markowitz portfolio analysis, two-asset portfolio versus multi-asset portfolio 5. Portfolio analysis (3 h.) The idea of asset diversification; problem of correlation and its impact on return rates, covariance and its financial consequences; efficiency frontier in asset diversification. 6. Optimal portfolio choice (3 h.) Rational choice principle; utility function in portfolio optimization; assets and weights in portfolio. Risk and return balancing, behavioral considerations. 7. Performance measurement (2h) Measures of portfolio performance. Fundamentals and technical analysis. Long vs. short term perspective. Holding periods. 8. Portfolio efficiency (2h.) Improvement of portfolio efficiency over long periods of time - principles of performing portfolio structure changes 9. Risk in portfolios (3h) Types of risk associated with portfolio selection; Standard Deviation, R-square and volatility. Use of Value at Risk in portfolio risk assessment 10. Risk management in portfolio investments (3h) Solutions allowing for portfolio risk reduction. Ways to efficiently diversify assets. Branch analysis. Beta coefficients. 11. Investment funds and portfolio choice (2 h.) Functions and types of investment funds; problem of optimal choice on the part of investor; financial information in investment funds; transaction and hidden costs. 12. International investors (2 h.) Comparison between national and foreign assets, legal issues. International investment alternatives, free capital flows restrictions; currency risk; institutional solutions for international investing. 13. Professional advisory services (2h) Role of professional advisors. The 3-Ps (Philosophy, Process and People). Communication with the client. Ethics of portfolio advisor.
Prerequisites and co-requisites	Basic konwledge of finance

Assessment methods and criteria			
	Subject passing criteria	**Passing threshold**	**Percentage of the final grade**
	Project	50.0%	100.0%

Recommended reading	Basic literature	.Hagin: Investment Management: Portfolio Diversification, Risk and Timing, John Wiley & Sons, London 2004; E.Elton, M.Gruber: Modern Portfolio Theory and Investment Analysis, John Wiley & Sons, London 2002; R.Gibson: Asset Allocation. Balancing Financial Risk, Mc-Graw Hill, London 2000.
	Supplementary literature	F.Fabozzi: Fixed-Income Portfolio Strategies, Probus Publishing Co. Chicago 1995;D. Swensen, Pioneering Portfolio Management: An Unconventional Approach to Institutional Investment, The Free Press, New York May 2000; P.Jenks, S.Eckett: The Global -Investor Book of Investing Rules, Harriman House 2002; B.Litterman: Modern Investment Management: An Equilibrium Approach, John Wiley & Sons, London 2003; P. Borkowski,Investment decisions and country risk in transition economies., International Journal of Emerging and Transition Economies, vol. 2, nr 1, 2009, ss. 1-15;P. Borkowski, Applicability of reference-based appraisals in the assessment of real sector investment projects, Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu, nr 401, 2015, ss. 58-68.
	eResources addresses	Adresy na platformie eNauczanie:
Example issues/ example questions/ tasks being completed		
Work placement	Not applicable	

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