



Course

Portfolio Management Strategies: Part I

Course Description

This course provides a brief introduction of the AIF regulatory framework and explains in brief the different AIF Categories, including the Funds of Funds, Real Estate Funds, Hedge Funds, Private Equity Funds, and Other Funds. According to the AIFM Law, every AIFM and every AIF shall engage, at least, in portfolio management, and risk management, when managing an AIF. It also provides an overview of the main fundamental drivers in markets.

This course explains the main fundamental drivers and provides a brief overview of them. It describes the problems in the Gilt Market, the concept of the “liability-driven investing” and provides an introduction to the hedge fund bets in treasuries. The meaning of the concept “liability-driven investing” is to plan your investments’ cash payouts to your future cash needs.

It also describes the main Portfolio Management Strategies, including Swap Spread Arbitrage, Yield Curve Arbitrage, Mortgage Arbitrage, Volatility Arbitrage, Capital Structure Arbitrage and provides an overview of them and examples.

This course also explains the Long-Short Equity Strategy, including strategies comparison, the Long-Short varieties and describes why to consider a Long-Short equity strategy. Long-Short investing can be driven by strategies that can offer a prudent approach to seeking equity-like returns with improved downside-risk and volatility mitigation over the long term.

Furthermore, it describes the Quantitative Portfolio Management Strategy “Statistical Arbitrage”, how the pair trading works and provides examples. Pairs trading is a mean-reverting or contrarian investment strategy.

Topics covered

The course is split into the following sections:

Section 1: Introduction to AIFs

- The AIF regulatory framework
- UCITS vs AIFs
- What is an AIF
- AIF Categories
 - Funds of Funds
 - Real Estate Funds
 - Hedge Funds
 - Private Equity Funds
 - Other Funds
- AIFM Law on Portfolio Management

Section 2: The Economics of Markets

- Main Fundamental Drivers
 - Inflation
 - Demand-Pull Inflation
 - Demand-Pull Drivers
 - Oil Prices and Inflation Expectations
 - Monetary Policy
 - Expectations and Policy



- Forward Guidance
- Fundamentals Recap
- Bubbles Anyone?
 - Bubbles and how to spot them

Section 3: Problems in the Gilt Market

- An introduction
- What's Liabilities-Driven Investing?
- In Simple Words
- Liabilities vs Gilts
- Assets and Liabilities
- How much leverage?
- What about collateral?
- When things go south?
- Margin calls
- How big might the problem have been?

Section 4: Hedge Fund Bets in Treasuries

- An introduction
- How big?
- The Basics
- Why now?
- How it works
- How the trade ends
- What about the banks?
- How can it turn sour?
- Implications
- Main Portfolio Management Strategies

Section 5: Fixed Income Arbitrage Strategy

- An introduction
- Most common strategies
- Swap spread arbitrage
 - Swap spread arbitrage performance
 - Par Swap example
- Yield Curve Arbitrage
- Mortgage Arbitrage
 - Implementation
- Fixed Income Volatility Arbitrage
 - Delta Hedging
- Capital Structure Arbitrage
 - Implementation
 - General Motors Example
 - Other examples
- Fixed Income Arbitrage Performance
- Convertible Arbitrage
- Picking nickels in front of a steamroller?



Section 6: Long-Short Equity Strategy

- An introduction
- Long/Short Strategies Comparison
- Long/Short Varieties
 - Market Neutral
 - Leveraged Long/Short
 - Long/Short
- Long/Short Performance
 - Of course not everything is rosy...
 - Recent Performance?
- Comparison with the Index
- Why consider a long/short equity strategy?

Section 7: Quantitative Portfolio Management Strategies: Statistical Arbitrage

- Statistical Arbitrage
- Schematic view of mean reversion
- Does it work?
- How does pair trading work?
- Arbitrage can also mean statistics
- Examples
- Three ways to do it
- A starting point: distance
 - In maths
 - How to calculate the threshold
- Naturally, there are good times...and bad times

Course Duration

This course may take up to 5 hours to be completed. However, actual study time differs as each learner uses their own training pace.

The course is addressed to:

This course is addressed to all individuals who are involved in the Funds' industry such as:

- Executive Directors, Non-executive directors, Senior Managers, Risk Managers, Asset Managers, Compliance Officers, Product Managers, Portfolio Managers, Investment Advisors, Dealers, Marketing Managers and in general employees of investment firms, UCITS, Funds and Fund Managers.
- Fund Administrators
- Fund consultants
- Internal Auditors
- Professionals in the Funds' industry
- Lawyers
- Accountants

It is also suitable to professionals pursuing CPD for the renewal of CySEC Certificate (CySEC Basic and CySEC Advance Certificate) or other relevant professional certificates in other jurisdictions.



Training Method

The course is offered fully online using a self-paced approach. The learning units consist of power point presentations. Learners may start, stop and resume their training at any time.

At the end of the course, participants take a Quiz to complete the course and earn a Certificate of Completion once the Quiz has been passed successfully.

Accreditation and CPD Recognition

The course may be accredited by regulators and other bodies for up to 5 CPD Units, that require CPD training in financial and other regulation.

Eligibility criteria and CPD Units are verified directly by your association or other bodies in which you hold membership.

Registration and Access

To register to this course, click on the ***Take this course*** button to pay online and receive your access instantly. If you are purchasing this course on behalf of others, please be advised that you will need to create or use their personal profile before finalizing your payment.

Access to the course is valid for 90 days.

If you wish to receive an invoice instead of paying online, please [Contact us by email](#). Talk to us for our special Corporate Group rates.

Instructor

With more than 10 years of experience, Nektarios is an expert in the financial services industry, having worked in key roles at investment funds, CIFs and other service providers. His exposure to the industry allowed him to gain knowledge in a variety of vital investment functions.

Complementing his practical knowledge of the industry, Nektarios also holds a number of professional and academic qualifications, including CySEC's Advance Certification. He is currently employed by an Investment Fund.