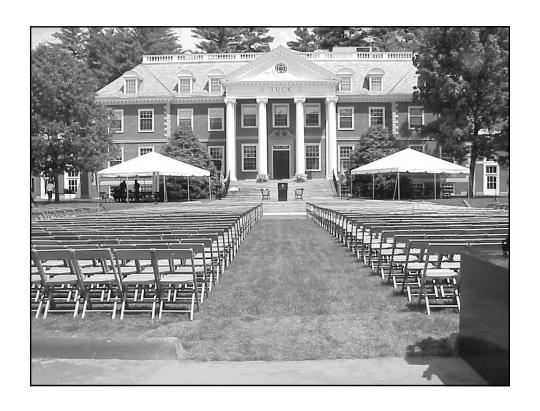
Asset Pricing and Portfolio Management

AFA Module 6, 2011
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Readings

(1) Textbook (BKM):

Zvi Bodi, Alex Kane, and Alan J. Markus, 2011, *Investments* (Global edition, 9th edition)

- (2) Lecture notes (compendium):
 - B. Espen Eckbo, 2010, Asset Pricing and Portfolio Management
- (3) Misc. articles (in compendium)

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Main course objectives

- Understand the implications of rational asset pricing for portfolio management
- Understand the concept of `risk' and therefore the cross-section of expected stock returns
- Understand fund performance measurement and applications
- Look at the performance of special portfolios (including Government Pension Fund - global)

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- Friday: Portfolio Theory and Trading Costs
 - S1: Market efficiency and behavioral finance
 - S2: Costs of active investing
 - · S3: Basic portfolio theory
- Saturday: <u>Asset pricing theories</u>
 - S4: Capital Asser Pricing Model
 - S5: The Arbitrage Pricing Theory
 - · S6: Asset pricing: Empirical tests
 - S7: Exercises
- Sunday: Portfolio Management
 - S8: Portfolio Performance Evaluation
 - S9: Active Fund Management
 - S10: SWFs and Hedge Funds
 - S11: Performance of Insider Trades

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