

Degree in Management Engineering

Asset Management

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Agenda

Preliminaries

1. Asset management
2. Asset management jobs

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1. Asset management
2. Asset management jobs:
 1. Front office
 2. Risk management
 3. Sales
 4. Legal and compliance
 5. Finance
 6. Administration

Asset management

- Asset management firms collect savings of individuals and institutions and invest them on the international financial markets.
- Savings of households, pension plans, insurance companies, corporations, endowments, family offices, universities, charities, etc.

Asset management

- Investments are made traditionally in government bonds, corporate bonds, equities, currencies, commodities and/or alternatively in infrastructures, real estate, private equity, private debt, bank loans, catastrophe bonds, subordinated bonds, hybrid bonds, Cocos, securitizations, covered bonds, preferred securities, and/or in investment strategies (i.e. hedge fund strategies, alternative risk premia)

Buy side research analyst

- Conduct financial and equity research in a team for their fund manager.
- Primary responsibility is to collect data on a particular company or an industry and analyze its financial strength.
- He/she is required to make reports and present recommendations (buy, sell or hold) for a particular security that is assigned to him/her
- In addition to this, he is expected to generate new investment ideas based on the research.

Junior research analyst

- An assistant to the research analysts.
- He/she collects data on a specific company or industry, creating reports and helping the analysts.

- An economist studies macroeconomy to give analysts/portfolio manager insights that could impact their decisions.
- It involves studying monetary policies of central banks, fiscal policies of governments and macroeconomic data (i.e. economic growth, unemployment and inflation) and deriving their impact on asset classes, countries or economic sectors.

Quantitative analyst

- The analyst create models and tools for analysis while the quantitative analyst understand the analysis requirement of the research analysts and develop a model that will help with the analysis.
- Typically a quantitative analyst will have working knowledge of computing languages and will be required to write programming codes.

Portfolio manager

- A portfolio manager invests money according to an investment strategy.
- A portfolio manager decides the composition of a fund in terms of which securities to include and the weight of each security in the portfolio.
- He/she works closely with the team of research analysts.

Chief Investment Officer

- He is responsible for asset allocation and for strategic choices
- Assess portfolio managers
- Challenges portfolio managers in case of insufficient performances
- Develop new products
- Discuss with the risk manager the overall risks for the meta-portfolio of the company

Financial risk manager

- Calculates VaR, TEV, use of risk budget
- Run peer group analysis for funds
- Run performance attribution analysis



Compliance officer

- Prevent company employees from violating internal regulations and laws.
- Track trades of the employees to ensure that they aren't buying or selling securities;
- Develop the policies and procedures of the group along with company attorneys and external regulators.

- This is more of a business development profile where primary task is to acquire more business or more clients.
- He/she assess clients' needs
- Depending on the requirement of the clients, he/she sell a portfolio of investments.

Relationship manager

- The relationship manager handles a specific number of clients.
- The relationship manager is involved in the post-sale and he is required to be at clients' disposal at all times.
- He/she is responsible for explaining clients on new products, services and offerings that his/her company might have and try to expand the current relationship for more business from the same client.

Sales manager

- A sales manager is required to generate more business by acquiring new clients in a certain area.
- He/she makes presentation to the prospective clients and convince them to get in a business relationship with his/her company.
- This profile requires a lot of travelling and networking.
- Often a sales manager has a support team in office.

- A financial adviser sells his clients a variety of products aimed at managing wealth:
 - ✓ funds
 - ✓ segregated managed accounts
 - ✓ Life insurances
 - ✓ Private pension plans
 - ✓ ETFs
 - ✓ Advisory services

- Private bankers offer financial services and advice to wealthy individuals (at least 500k euro in financial assets).
- Private banking units usually charge their clients a fee for their services based on a percentage of assets under management.

- Asset management firms have centralised trading desks, where traders execute the orders insert by portfolio managers
- He/she can decide the broker used to close the financial transaction with the best execution

Product specialist

- Sitting side by side with the portfolio manager, he/she then travel to meet with clients or to speak at conferences or to conference call to update clients on the investment strategies
- In this way the portfolio manager can dedicate more time to face financial markets.

Operational risk manager

- Assess the counterparty risks
- Assess the risk of investing in illiquid securities
- Operational due diligence on complex securities

Suggested links

- www.assogestioni.it
- www.salonedelrisparmio.com
- www.eurizoncapital.com
- www.iltuocapitaleumano.it