Asset Management Certificate Programme

STRATEGY | EXPERIENCE | TECHNOLOGY

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Programme Overview

The Asset Management Certificate programme is a new and exciting way to develop staff in investment and wealth management firms. The majority of client facing staff must take a qualification exam to provide investment support or advice. Many firms also offer these exams, such as IMC and CFA to many staff, as personal development. The challenge is that the exams are extensive, can have high failure rates, are expensive and don't always serve the needs of the business.

Feedback from investment firms is that a recognised certificate programme that can be tailored to their needs and is shorter in duration will provide meaningful benefit both to the firm and their employees.

Intuition's certificate programme provides an in depth understanding of the investment management business, enabling staff to develop solutions and solve problems to improve business outcomes.

Accredited by a prestigious internationally recognised UK university, participants are awarded 10 ECTS at Post Graduate level on successful completion of the programme.

Programme coverage and structure

The Certificate programme has the following topic areas:

- Maths and accounting technical fundamentals
- Investment products; (equities, fixed income, commodities, derivatives and alternative assets)
- Risk measurement and management
- Asset allocation
- Wealth management

The syllabus can be adapted by up to 20 percent to meet your firm's specific needs.

The programme will be delivered to cohort groups who will study synchronously over a four to six month period.

The programme combines self-study and online live webinars. Self-study consists of c50 online tutorials, drawn from Intuition's *Know-How* library. These tutorials provide the core knowledge base for each topic leading into a series of virtually delivered workshops. The workshops focus on practical application and are highly interactive, encompassing exercises and real-life scenarios.

Across the programme there will be periodic MCQ assessments, drawn from randomised question banks to ensure individuals, management, and the Programme Leader can identify any areas that need further support.

The programme concludes with a Summative Assessment. This is designed to encapsulate the learning across the programme, enabling candidates to evaluate and propose solutions with the knowledge gained.

The programme, hosted on Intuition's KHX learning platform includes an Ask the Teacher feature, as well as MI reporting on participants' progress.

The overall programme consists of 73 study hours (c50 hours online tutorials, 18 hours of webinars and 5 hours for the summative assessment).

Programme Structure

Introduction Webinar

A 30-minute webinar overviewing the programme and giving a face to the team supporting the programme.

Module 1: Maths and Accounting

Relevance

Financial maths and accounting are at the core of financial analysis and hence are essential to master early on in the programme.

Skills

Be able to construct a financial asset valuation and financial statement analysis to support investment decision making.

Self-study online tutorials for this module include:

Financial Math Essentials
Present Value & Future Value
Time Value of Money - Excel Interactive
Interest Calculations
Day Count Conventions
NPV & IRR
Accounting Fundamentals
Accounting - An Introduction
Balance Sheet - An Introduction
Income Statement - An Introduction
Fund Administration
Fund Valuation

Exercise

Using the knowledge gained from the tutorials, participants will be given exercises to complete as follow. The teacher is available to answer questions.

- We will use time value of money to review three projects and see if they are viable.
- We will provide a portfolio with 5-10 assets and ask the group to value it using current prices.

Module 2: Equities, ETFs and Fixed Income basics

Relevance

The products covered in this module are core products of a mainstream investment portfolio, for both retail and institutional investors. A solid comprehension of these products is essential.

Skills

Be able to make informed decisions on when to use these products and for which type of clients. Explain the risks and rewards associated with these products.

Self-study online tutorials for this module include:

Cash Market Products
Asset Classes - Types
Equity Returns Analysis
Exchange-Traded Funds (ETFs) - Types
Fixed Income Analysis - An Introduction

Live virtual workshop

The workshop will commence with a brief recap and summary of the key learning takeaways from the online tutorials. It will also cover the following:

- Calculate risk metrics of several stocks using actual historical time series and interpret the results.
- Calculate the beta of actual companies and compare and discuss the outcomes.
- Practical example of the ETF creation and redemption process.
- Calculate the price and yield on several actual tradeable bonds using Excel and consider the factors influencing them.
- Interactive Q&A on any outstanding questions.

Module 3: Fixed Income and Commodities

Relevance

Fixed Income is an essential asset class for most investors. This topic provides a deeper knowledge of fixed income products enabling participants to have meaningful client conversations about risk vs returns in the fixed income markets.

A high-level knowledge of commodities is essential given it's also an important part of many clients' investment portfolios.

Skills

Calculation of bond prices and yields.

Be able to analyse yield curves and draw conclusions from them in terms of markets expectations.

Calculate the risk sensitivities of a fixed income portfolio and advise clients to potentially rebalance their portfolio given their risk tolerance and current market dynamics.

Self-study online tutorials for this module:

Cash Market Products
Bond Prices & Yields - Excel Interactive
Yield Curves - An Introduction
Duration Analysis
Fixed Income Analysis - Credit Risk
Commodities - An Introduction

Live virtual workshop

The workshop will commence with a brief recap and summary of the key learning takeaways from the online tutorials. It will also cover the following:

- Group discussion in which we discuss the shape of the actual yield curves of several government bonds and what information we can derive from it.
- Calculate bond risk measures (duration and DV01) using Excel and interpret the results.
- Exercise in which we compare and discuss the credit ratings on several government and corporate bonds to the yield-to-maturity traded in the market.
- Group discussion on the role of commodities in an investment portfolio.
- Interactive Q&A on any outstanding questions.

Module 4: Forwards, Futures and Swaps

Relevance

These are the most commonly used derivatives, used by many Asset Management clients. So, knowing the fundamental pricing principles and key features is essential. Based on this knowledge they will then be able to build or validate client structures

Skills

Be able to evaluate investment solutions developed by client facing teams.

Know when to use and when not to use these derivatives products for different client types.

Be able to identify how they can be used to create investment instruments and to develop a hedge.

Self-study online tutorials for this module:

Derivatives
Forwards & Futures - An Introduction
Swaps - An Introduction
Swaps Applications for Institutional Investors - Scenario

Live virtual workshop

The workshop will commence with a brief recap and summary of the key learning takeaways from the online tutorials. It will also cover the following:

- Calculate the price of futures contracts.
- Exercise to match the usage of futures with the correct hedging or investment objective.
- Exercise to match the usage of interest rates swaps with the correct hedging or investment objective.
- Interactive Q&A on any outstanding questions.

Module 5: Options

Relevance

Many asset managers use options as a way of increasing returns or limiting risk. Consequently, knowing the fundamental pricing principles and key features is essential. Based on the options knowledge gained in this module participants will be able to build or validate client structures.

Skills

Be able to evaluate options-based solutions developed by client facing teams.

Know when to use and when not to use these derivatives products for different client types. Be able to identify how they can be used to create investment instruments and to develop a hedge.

Self-study online tutorials for this module:

Derivatives
Options - An Introduction
Option Trading - Combination Strategies
Option Trading - Spread Strategies

Live virtual workshop

The workshop will commence with a brief recap and summary of the need to knows from the online tutorials. It will also include the following:

- Interactive online poll to cement the key option terminology and concepts.
- Exercise to match the usage of option strategies with the correct hedging or investment objective.
- Calculate the net cost of several spread option strategies.
- Interactive Q&A on any outstanding questions.

Module 6: Fixed Income Derivatives

(Includes revision of the derivatives covered in previous modules)

Relevance

Fixed income futures are often used by Asset Management clients. So, knowing the fundamental pricing principles and key features is essential. Based on this knowledge participants will be able to build or validate client structures.

Skills

Be able to evaluate investment solutions developed by client facing teams.

Know when to use and when not to use these derivatives products for different client types. Be able to identify how they can be used to create investment instruments and to develop a hedge.

Self-study online tutorial for this module:

Derivatives
Fixed Income Derivatives
Money Market Futures
Bond Futures

Live virtual workshop

The workshop will commence with a brief recap and summary of the need to knows from the online tutorials. It will also include the following:

- Workout the cheapest-to-deliver bond in a bond future.
- Calculate the implied swap rate from FRAs and STIR futures prices.
- Workout the arbitrage from swaps vs a replication portfolio.
- Interactive Q&A on any outstanding questions.

Module 7: Alternative Assets.

Relevance

Alternative assets are designated as complex products and are typically only offered to institutional investors and HNWI clients. It is important that participants understand their inherent risks and be able to evaluate their suitability for the client.

Skills

Be able to evaluate various alternative assets client offerings, understanding how and why they were structured.

Be able to construct basic synthetic alternatives using derivatives and cash products.

Self-study online tutorials for this module:

Alternative Assets
Alternative Assets - An Introduction
Real Estate - An Introduction
Real Estate - Investing
Hedge Funds - An Introduction
Hedge Funds - Investing
Private Equity - An Introduction
Private Debt

Live virtual workshop

The workshop will commence with a brief recap and summary of the key learning points from the online tutorials. It will also include the following:

- Group discussion on the role of alternative assets in an investment portfolio.
- Exercise to match the usage of various alternative assets in an investment portfolio based on clients' investment objectives.
- Interactive Q&A on any outstanding questions.

Module 8: Asset Allocation.

Relevance

Each client has a different perspective on risk and reward for their portfolio. Asset allocation is therefore a key dimension when creating client solutions.

Skills

Be able to create and adjust client portfolios based on market conditions and client risk reward appetite.

Be able to explain the difference between Strategic Asset Allocation and Tactical Asset Allocation and explain portfolio choices to a client.

Self-study online tutorials for this module:

Asset Allocation
Private Wealth Management - Client Investment Management
Private Wealth Management - Understanding Behavioural Biases
Private Wealth Management – Investment Services
Private Wealth Management – Alternative Investments
Private Wealth Management – Financial Planning
Private Wealth Management - Estate Planning
Asset Allocation - An Introduction
Strategic Asset Allocation (SAA)
Tactical Asset Allocation (TAA)
Asset Allocation - Scenario

Live virtual workshop

The workshop will commence with a brief recap and summary of the key learning points from the online tutorials. It will also include the following:

- Exercise in which participants need to build several strategic and tactical asset allocation portfolios given several clients' investment objectives.
- Balancing Behavioural Biases with Investment Strategies.
- Interactive Q&A on any outstanding questions.

Module 9: Risk Measurement & Risk Management

Relevance

Each client has a different perspective on risk and reward for their portfolio. Asset allocation is therefore a key dimension when creating client solutions. This topic ensures the participants understand the Maths behind asset allocation. It also ensures they can create relevant client reports showing portfolio performance.

Skills

Be able to create client reports on their portfolio's performance.

Be able to use portfolio theory to create an optimal portfolio for a client.

Self-study online tutorials for this module:

Risk Measurement & Risk Management
Risk & Return - Portfolios
Risk & Return - Efficient & Optimal Portfolios
Portfolio Management - Behavioral Theory
Portfolio Performance - Measures
Portfolio Performance - Attribution Analysis

Live virtual workshop

The workshop will commence with a brief recap and summary of the need to knows from the online tutorials. It will also include the following:

- Exercise to construct efficient investment portfolios given several clients' risk and return constraints.
- Interactive Q&A on any outstanding questions.

Module 10: Asset Management Risks

Relevance

Managing risk in financial services is very important. We look at market risk, operational risk, liquidity, credit, and counterparty risk and how they are mitigated.

Skills

Be able to create reports that flag key risks.

Be aware of the main risk factors that influence the risk profile.

Be able to identify and find solutions to mitigate these risks.

Self-study online tutorials for this module:

Asset Management Risk
Asset Management - Operational Risk
Asset Management - Market Risk
Asset Management - Credit Risk & Counterparty Credit Risk (CCR)
Asset Management - Liquidity Risk

Live virtual workshop

The workshop will commence with a brief recap and summary of the key learning points from the online tutorials. It will also include the following:

- Exercises to identify various types of risks asset managers are exposed to and how to mitigate them.
    - Operational risk in fund managers - identification and management
    - Counterparty credit risk
    - Outsource risk
    - Liquidity risk – lessons from Woodford
- Interactive Q&A on any outstanding questions.

Summative Assignment - Exemplar

As a final part of this programme, you are tasked to suggest a suitable investment portfolio allocation for one of the (fictitious) clients of your firm. This can either be a High Net Worth retail client or an institutional client, you can choose whichever you prefer. The needs and requirements for both clients are given below.

Your write-up needs to contain the suggested portfolio mix and the justification of your choices. You must consider the current real world investment landscape when suggesting the portfolio mix.

The write-up needs to be 1500 – 2000 words.

High net worth individual

- 43 years of age.
- Owner of a successful tech start-up. They are looking to sell part of the business to a private equity firm within the next year.
- Estimated free available cash to invest is about GBP 10 million.
- Has a reasonably high-risk tolerance.
- There is a need for some regular income stream given the family has two properties with a (significant) mortgage and three kids that are in the early stages of private education.
- ESG is a nice to have but not a strict requirement for this client.

Institutional client

- Medium sized pension fund.
- Demographics of the pension fund participants is quite diverse.
- They are looking to outsource GBP 5 billion of investments, to be spread across the entire universe of asset classes.
- In their liabilities' portfolio, this includes significant level of defined benefit schemes that need to be paid out over the next two decades.
- The investment mandate is targeted to match the defined benefit liabilities of their portfolio.
- Currently the fund is slightly under funded. That means that next to a steady stream of income, they also have a capital appreciation requirement.
- ESG is very high on their priority list.

Faculty

Robert van Loon – Faculty Lead

Robert van Loon is an independent trainer, delivering financial training all over the world for banks, institutional investors, consultancy firms and business schools. His areas of expertise are Financial Markets, Asset Management, Derivatives, Trading and Macroeconomics. Before starting his career as a trainer, Robert worked in various roles in the global financial markets for about 10 years. Robert has extensive experience in delivering training to a diverse audience, ranging from graduates all the way up to senior executive and board member level.

After obtaining his master's degree in Investment Theory at Tilburg University, Robert started his career on the trading floor at ABN AMRO in Amsterdam. He then went on to work as a buy-side trader for APG Asset Management in Amsterdam. In this role he was responsible for the currency trading book, ran a proprietary trading portfolio and traded derivatives on various asset classes.

Previous to starting his career as a trainer, Robert worked on the Fixed Income, Currencies & Commodities trading floor at Goldman Sachs in London for 5 years. At Goldman Sachs he was responsible for advising Dutch and German institutional clients (pension funds, insurance companies, asset managers and banks) on strategic and tactical, financial risk management issues. He was also responsible for client acquisition and relationship management.

The fact that Robert worked at world-class buy and sell side institutions, gives him a unique edge as a trainer due to his valuable insight in the dynamics on both sides of the market.

Companies that Robert has delivered training for include ABN AMRO, Bank of America, Barclays, BNP Paribas, Citi, Deutsche Bank, Goldman Sachs, HSBC, ING, KPMG and Morgan Stanley.

Alastair Tyler - Programme Director

Alastair Tyler is a senior banking and professional education expert specialising in Corporate and Investment Banking. He is Head of Learning Services, EMEA at Intuition responsible for programme needs analysis & design, faculty management and classroom delivery. He is Visiting Professor at The London Institute of Banking & Finance (LIBF) where previously he was responsible for their international business. He worked for over twenty-five years in Corporate and Investment Banking in a range of senior front office roles for major UK banks (Barclays, RBS and Santander). He is a former Chief Examiner at LIBF for Corporate Lending experience and has considerable experience as an assessor (authoring, marking and moderating) across a range of Level 6 and 7 modules. He has a Post Graduate Certificate in Banking & Finance Teaching & Learning from LIBF.

Richard Camp – Programme Manager

Richard Camp is Intuition's Client Education Manager for EMEA. In this role, Richard works with clients to develop and implement integrated learning solutions customised to the needs of Intuition's clients.

Richard has led the design of blended learning programmes for many of the Fortune 500 firms. He has in excess of ten years expertise in the eLearning industry. Richard designed the majority of the processes used by Intuition's classroom and blended learning business. He has been involved in the successful delivery of over 3000 workshops in his time as Client Education Manager.

Richard also conducts Webinars and classroom teaching sessions on business topics for selected clients.

Richard is the Product Manager of Know How, Intuition's enterprise e-learning library, responsible for product strategy and leading the development of the Know How library of offering, and product manager of Reuters 3000 Xtra.