

Prof. Javier Estrada

[PFIN] PERSONAL FINANCE

Introduction

This is perhaps the only course of the program that is more for you than for your company; it is all about *your* savings and how *you* can manage those savings successfully.

Objectives

The ultimate goal of this course is to provide you with a general, integral, simple, practical, and effective framework to successfully manage your own savings. Contrary to what some people would have you believe, it does not take a PhD in Quantum Physics to sensibly manage your money. The approach discussed in this course follows from the strategies endorsed by investment legends such as Warren Buffett (CEO of Berkshire Hathaway), John Bogle (founder of Vanguard), and David Swensen (CIO of the Yale University endowment).

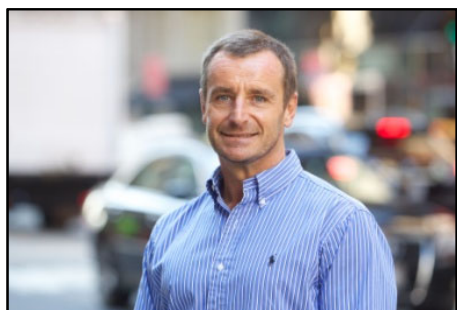
Content

This course will deal with the major asset classes and their role in your portfolio; the financial products currently available in the market and their convenience for you; the costs of financial products and their relevance; the pillars of a proper selection of products; the appropriate way to build a portfolio to achieve your goal and how to adjust it over time; and the use of some valuable resources online.

Evaluation

Performance in the course will be evaluated with an individual final exam, adjusted by class participation.

Professor's Bio



Javier Estrada is a Professor of Finance at IESE Business School in Barcelona, Spain. He is also a partner and financial advisor at Sports Global Consulting Investments, an independent financial advisory company that provides wealth management advice to professional athletes and other clients; and he is the sole advisor of the investment strategy of the Alpha Investments fund, a publicly-traded mutual fund.

Javier holds an M.S. in Finance and a Ph.D. in Economics from the University of Illinois at Urbana-Champaign (USA), and a B.A. in Economics from the National University of La Plata (Buenos Aires, Argentina). His areas of specialization are wealth management, portfolio management, investments, and law & economics.

Javier held positions at both the Economics Department and the Finance Department at Carlos III University (Madrid, Spain). He is also a regular visiting professor at HANKEN (Helsinki, Finland), IPADE (Mexico City, Mexico), Torcuato Di Tella University (Buenos Aires, Argentina), and the University of Montevideo (Montevideo, Uruguay), and has lectured on diverse topics around the world.

Javier is the author of *Finance in a Nutshell* (FT Prentice Hall, 2005), originally written in English and translated into Spanish, Italian, and Chinese; a second edition of this book was published in 2011, is entitled *The FT Guide to Understanding Finance*, and was translated into Korean. He is also the author of *The Essential Financial Toolkit – Everything You Always Wanted To Know About Finance But Were Afraid To Ask* (Palgrave Macmillan, 2011).

Javier has done extensive research in the areas of portfolio management, investment strategies, and risk; he has also done research on emerging markets and insider trading. His articles have been published in the *Journal of Portfolio Management*, the *Journal of Investing*, the *Journal of Asset Management*, and the *Journal of Wealth Management*, among other journals. His research has been discussed on the *Wall Street Journal*, the *Financial Times*, *Forbes*, *Barron's*, *Morningstar*, and on several blogs. He was also the founding editor of the *Emerging Markets Review* and was editor of the journal between inception in 2000 and 2006.

Javier is a member of the CFA Institute's Speaker Retainer Program; teaches open-enrollment programs and several courses on personal finance and wealth management; is the Academic Director of IESE's Global Executive MBA; and was a tennis instructor.

Additional Information for Reporting and Accreditation purposes

Learning Goals & Learning Objectives

LG1: Strategic decision-making

LO1. Students will analyze complex problems, assess different approaches, and evaluate all outcomes.

LO2. Students will distinguish and effectively categorize the relevant information for the taking of business decisions.

LO4. Students will apply a structured and rigorous process of analyzing business situations that integrate all the dimensions of the business (personal, strategic, financial, etc.) and conclude in the preparation of a reasonable and feasible action plan.

LO6. Students will identify risk factors, evaluate them, and study their impact on decisions.

Competences

Basic

CB6. Possess and understand knowledge that provides a basis or opportunity to be original in the development and/or application of ideas, often in a research context.

CB7. The students know how to apply the knowledge acquired and their ability to solve problems in new or unfamiliar environments within broader (or multidisciplinary) contexts related to their area of study

CB8. The students can integrate knowledge and face the complexity of formulating judgments based on information that, being incomplete or limited, includes reflections on social and ethical responsibilities linked to the application of their knowledge and judgments.

CB9. Students know how to communicate their conclusions and the knowledge and ultimate reasons that support them to specialized and non-specialized audiences in a clear and unambiguous way.

CB10. Students possess the learning skills that allow them to continue studying in a way that will be largely self-directed or autonomous.

General

CG1. To explain and discuss business situations in a rigorous, effective way using both formal and informal procedures, and providing relevant information to support their observations and conclusions.

CG7. To distinguish and categorize relevant information effectively for business decision making.

Specific

CE23. To evaluate decisions to buy or sell assets and businesses using criteria related to strategy, economics/finances, and execution of the transaction.

Sustainable Development Goals (SDG)

SDG 1. No Poverty