

## INVESTMENTS & PRIVATE WEALTH MANAGEMENT

Description: Private wealth management (PWM) is the investment management specialization that focuses on providing comprehensive and customized solutions to the challenges that high net-worth individuals and families face in managing their personal wealth. The courses in the PWM module provide the core knowledge and skills needed to design a personalized and effective wealth management strategy that reflects the unique circumstances of an individual or family. You will acquire needed background in securities markets and investment management; an overall framework for managing private wealth that incorporates insurance, tax, and estate planning issues; and advanced analytical tools needed to make optimal decisions. The module is appropriate if you seek a career in investment advising or simply wish to manage better your own financial life.

Courses:

**1) Financial Management 53:390:506**

Valuation as the unifying principle of Finance. Topics include forms of business ownership, firm and project cash flows, time value of money, bond and stock valuation, capital budgeting, operating and financial leverage, risk and diversification, and the cost of capital. *Prerequisites: Accounting for Financial Reporting 53:010:502, Managerial Economics 53:135:500 unless waived.*

**2) Investments & Portfolio Management 53:390:540**

The investment setting, organization, and functioning of securities markets. Efficient capital markets, modern portfolio management, asset pricing models, security valuation principles and practices, analysis and management of bonds and common stocks, derivative securities, and evaluation of portfolio performance. *Prerequisite: Financial Management 53:390:506.*

**3) Private Wealth Management 53:390:545**

Students learn a unified framework that will help them put the often bewildering array of investment choices into comprehensive plans for achieving the overall financial and personal goals of high net-worth individuals and families. Topics explored include the nature and objectives of private wealth management, basic investment planning and strategies, investment asset classes, income tax planning, retirement planning, insurance and risk management, and estate planning. *Prerequisites: Investments & Portfolio Management 53:390:540.*

**4) Innovations in Wealth Management 53:390:546**

This course explores recent innovations in the practice of Private Wealth Management. It provides comprehensive coverage of structured products, also known as equity-linked derivatives. Such products combine traditional securities and derivatives to create securitized financial instruments that facilitate the achievement of highly customized risk-return objectives. The course also touches on the rise of automated investment advisors and the role of cryptocurrencies, such as Bitcoin and Ethereum, in building comprehensive diversified portfolios. *Prerequisite: Private Wealth Management 53:390:545.*