



POZNAN UNIVERSITY
OF ECONOMICS
AND BUSINESS

Syllabus

Field of study: Erasmus program

Subject name Hedge funds		
Subject name in English Hedge funds		
Subject code HF	Year / semester 2, 3, 4, 5 / Fall	Method of evaluation test
Specialisation all	Track (general academic/practical) general academic	Level of qualification (first-cycle programme/ second-cycle programme) both
Mode of study (full time/part-time) full time	Language of instruction English	Subject (obligatory/elective) elective
Number of hours Lectures: 30 Classes:	Number of ECTS points 4	Block (A, B, C) C
Responsible	Katarzyna Perez, Dept. of Investment and Financial Markets	

Subject's educational aims

C1	Finding different ways of defining hedge funds as alternative investments. Learning about their characteristics/attributes and differences between them and other forms of investments (eg. mutual funds, private equity funds).
C2	Learning the mechanisms that rule HF industry. Comparing them to the mechanisms of conventional funds.
C3	Learning the details of HF strategies. Understanding the differences among them.
C4	Learning the history, regulations and structure of the world hedge fund market. Identifying factors which determine the growth of that market in the world.
C5	Learning how to measure and assess the hedge fund performance.

Subject's learning outcomes

Code	Outcomes in terms of	Learning outcomes within the field of study
Knowledge		
W1	Student knows definition, advantages and disadvantages as well as structure of costs of HFs. She knows the similarities and differences among different types of HFs and other forms of investments	
W2	Student knows regulations directly and indirectly connected to HFs and other parties involved in their everyday work (eg. prime broker, distributors, investors).	

W3	Student is familiar with the history of global HF market, the most important events leading to market growth and the determinants of that growth.	
W4	Student knows which measures to use for evaluation and assessment of HF performance and how to interpret the numbers associated with the fund performance.	
Skills		
U1	Student is able to show the place of HFs in financial market structure. She is able to list the differences between HFs and other financial institutions/instruments.	
U2	Student can indicate the similarities and differences among HF strategies. She can match the strategy with client's profile and choose the most suitable one for a client.	
U3	Student is able to name the determinants of potential HF growth in emerging markets like Poland. She can also say what kind of decisions an investor should make on such a market.	
U4	Student is able to analyze and assess HF performance and profitability of that investment to an investor using simple econometrical tools. She can also compare the results with the results for other types of funds and indicate which is better/the best investment.	
Social competences		
K1	Student is aware of the level of her knowledge and skills in the area of HFs.	
K2	Student understands she needs to continue learning about HFs since HF industry is highly innovative, competitive and challenging as far as meeting investors' preferences.	
K3	Student knows how to gain more knowledge and skills in area of HFs.	
K4	Student is aware of pros and cons of HFs and their meaning for global financial market as well as efficient portfolio management.	

Study content

No.	Study content	Subject's educational aims	Subject's learning outcomes
1.	History and definition of hedge funds. HFs in financial market structure	C1	W1, U1, K1, K4
2.	Characteristics/attributes of HFs	C1	W1, U1, K1, K3
3.	Characteristics/attributes of HFs	C1	W1, U1, K1, K3
4.	Operational structure of HFs. Investment tools and structures used by HFs	C2	W2, U1, U2, K1, K3
5.	Directional strategies	C3	W2, U1, U2, K1, K2
6.	Non-directional strategies	C3	W2, U1, U2, K2, K3
7.	Non-directional strategies	C3	W2, U1, U2, K1, K2
8.	World HF industry. Regulations in USA	C2, C4	W3, U3, K1, K2, K3

9.	World HF industry. Regulations in Europe, Asia and rest of the world	C2, C4	W3, U3, K1, K2, K3
10.	World HF industry. Structure and performance	C2, C3, C4, C5	W1, W3, U3, K1, K2, K3
11.	Measuring and assessing HF performance	C5	W1, W4, U1, U2, U4, K1, K2, K3, K4
12.	Final remarks and written test	C1, C2, C3, C4, C5	W1, W2, W3, W4, U1, U2, U3, U4, K1, K4

Bibliography

Obligatory

- Perez K. (2019), Hedge fund strategies, in: Financial Engineering: Methods and Cases, ed. Paweł Kliber, Poznań University of Economics and Business, Poznań, chapter 7, p. 201-235
- PP slides and other materials from Moodle

Recommended

- Lhabitant F.-S. (2006), *Handbook of hedge funds*, John Wiley & Sons, Hoboken, NJ, USA
- Lo A.W. (2008, 2010), *Hedge funds. An analytic perspective*, Princeton University Press, Princeton

Entry requirements	Students must be after an introductory course to financial markets (characteristics and structure)
Teaching methods	Multimedia presentations, case studies, discussion. Additional examples on moodle platform. Group or individual project of measuring and assessing a HF strategy.
Method of evaluation	Written test

Settlement of ECTS points

Forms of student work	Average number of hours for student work*	
Active participation in lectures and literature studies	30	
Case studies (individual or group project) <ul style="list-style-type: none">• building and assessing the HF performance	30	
Preparation for the test	30	
Student work in total	Number of hours	ECTS points
	90	3
	Number of hours	ECTS points

Contact hours (with the teacher)	30	1
Practical-class work	Number of hours 60	ECTS points 2

* one hour of classes = 45 minutes

Methods of evaluating the learning outcomes

Learning-outcome code	Methods of evaluation		
	Active participation	Case studies	Test
W1	x	x	x
W2	x	x	x
W3	x		x
W4	x	x	x
U1	x	x	x
U2	x	x	x
U3	x		x
U4	x	x	x
K1	x	x	x
K2	x		
K3	x	x	
K4	x	x	x