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## 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, John Bogle (founder of Vanguard), and David Swensen (CIO of the Yale University endowment).

## Learning Outcomes

By the end of this course you should be able to understand the major asset classes and their role in your portfolio; to classify the financial products currently available in the market and assess their convenience for you; to pay attention to the critical costs of investing; to build a portfolio appropriate for you and to keep it on track over time; to use some very valuable online resources; and, ultimately, to successfully manage your savings.

## Content

See description on page 2.

## Methodology

The course consists of six participative lectures and has been designed for senior executives who are fully engaged in their jobs and have limited time (and often limited knowledge) to manage their savings.

## Competences

**General:** The ability to understand, process, and act upon financial information.  
**Specific:** The ability to successfully manage your savings.

## Evaluation

This being the final module, the course will have neither an exam nor a report to turn in.

## Course Outline and Bibliography

PRE-RESIDENTIAL	
Activity	<b>Introductory Material</b>
	In order to jump start our discussions, please read at least the 'Low Rates ...' and 'Mean Returns ...' notes, and the first two articles in the course package. That said, since all our sessions will be held over two days and you will have limited time between them, it would be ideal if you can read the whole (and short!) course package before the course begins.
	<b>Materials:</b> 'Low Rates? Ten Ideas to Consider' / 'Mean Returns – Three Definitions' / 'Vanguard – We Believe #1' / 'Vanguard – We Believe #8'
	<b>Due Date:</b> Any time before the beginning of the course.

RESIDENTIAL	
Session 1	<b>Underlying Issues &amp; Asset Classes</b>
	<b>Description:</b> Discussion
	<b>Materials:</b> 'Sources of Return'
Session 2	<b>The Product Landscape</b>
	<b>Description:</b> Discussion
	<b>Materials:</b> 'What Are ETFs, and What Makes Them Good Investments?'
Session 3	<b>A Critical Variable: Costs</b>
	<b>Description:</b> Discussion
	<b>Materials:</b> 'Vanguard – We Believe #5'
Session 4	<b>Asset Allocation and Security Selection</b>
	<b>Description:</b> Discussion
	<b>Materials:</b> 'The Confounding Bias for Investment Complexity'
Session 5	<b>Online Resources</b>
	<b>Description:</b> Discussion
	<b>Materials:</b> N/A
Session 6	<b>A Global Vision</b>
	<b>Description:</b> Discussion
	<b>Materials:</b> 'Rules of Prudence for Individual Investors'

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## 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, a company that specializes in providing wealth management advice to professional athletes; and the sole advisor of the mutual fund Alpha Investments. Javier holds an M.S. in Finance and a Ph.D. in Economics from the University of Illinois at Urbana-Champaign (Illinois, 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 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 to executives, graduates, and undergraduates around the world.

Javier is the author of *Finance in a Nutshell* (FT Prentice Hall, 2005), originally written in English and subsequently 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 with a special focus on downside risk. He has also done research on emerging markets and insider trading. His articles have appeared in the *Journal of Portfolio Management*, the *Journal of Investing*, the *Journal of Asset Management*, and the *Journal of Wealth Management*, among other journals. He was also the founding editor of the *Emerging Markets Review*, the leading journal on emerging markets, was editor of the journal between inception in 2000 and the end of 2006, and remains an associate editor. He is also in the advisory board of several other academic journals.

Javier is a member of the CFA Institute's Speaker Retainer Program; is Director of the Senior Executive Program (SEP) that takes place between New York and Miami and the open-enrollment programs on *Managing Your Own Portfolio* and *Corporate Finance*; and was a tennis instructor.