

University of Stuttgart

School of Management: Dept. III - Finance

Seminar in Finance

What do investors really care about?

- ✓ Sustainability
- ✓ Returns & Risks
- ✓ Hot topics

The most important facts in brief

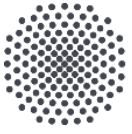
- **Registration** for the seminar via the [online form](#) on our website
- **Registration deadline:** 17th October 2024, **assignment of topics** on 18th October 2024 by e-mail
- **Kick-off** event: 22th October 2024 at 3.45 p.m. in room 7.011 (Keplerstraße 17, 7th floor)
- **Introduction to databases** (Bloomberg and Morningstar) on 25th October 2024 at 11:30 am (online)
- **Submission of written work:** 16th January 2025 until 11.30 a.m. by e-mail to franziska.weishaupt@bwi.uni-stuttgart.de
- **Seminar presentations** presumably in cooperation with Kreissparkasse Böblingen: 23th/24th January 2025 (submission of presentation slides by the presentation date to franziska.weishaupt@bwi.uni-stuttgart.de)
- Participation in kick-off, database introduction and seminar presentations **mandatory**
- **Registration for the examination node** for the seminar in Campus required during the examination registration period
- The **seminar paper** is an **individual assignment** (each student writes his/her own seminar paper), the **seminar presentations** are a group work (consisting of several students working on the same topic)
- **Examination** consists of written work (60% of the overall grade) and presentation (40% of the overall grade)

Dates

- ✓ 22.10.24, 15:45
(Kick-Off)
- ✓ 25.10.24, 11:30
(Introduction to databases)
- ✓ 23.&24.01.25, all day
(Seminar presentations as block seminar)

Requirements

- Written seminar paper of approx. 12 pages (font size 12, line spacing 1.5)
- [Guidelines for scientific](#) work must be observed
- Seminar paper can be written in either German or English
- Seminar paper consists of (in addition to introduction and summary/outlook)
 - Literature review
 - Summary of the introductory literature and other thematically relevant scientific
 - Own empirical analysis
 - Own analysis of a research question related to the introductory literature using financial market data (e.g., replication on another market or for another period) or a question going beyond this
 - Statistical methods: e.g., linear regression or portfolio sorting
 - If you want, you can also analyze further questions
- Individual priorities are possible and desirable both with regard to the weighting of the two components (literature review and empirical analysis) and thematically within the two components



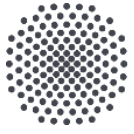
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Bachelor topics

- Topics for Bachelor students
- Link to background literature on the slide of each topic



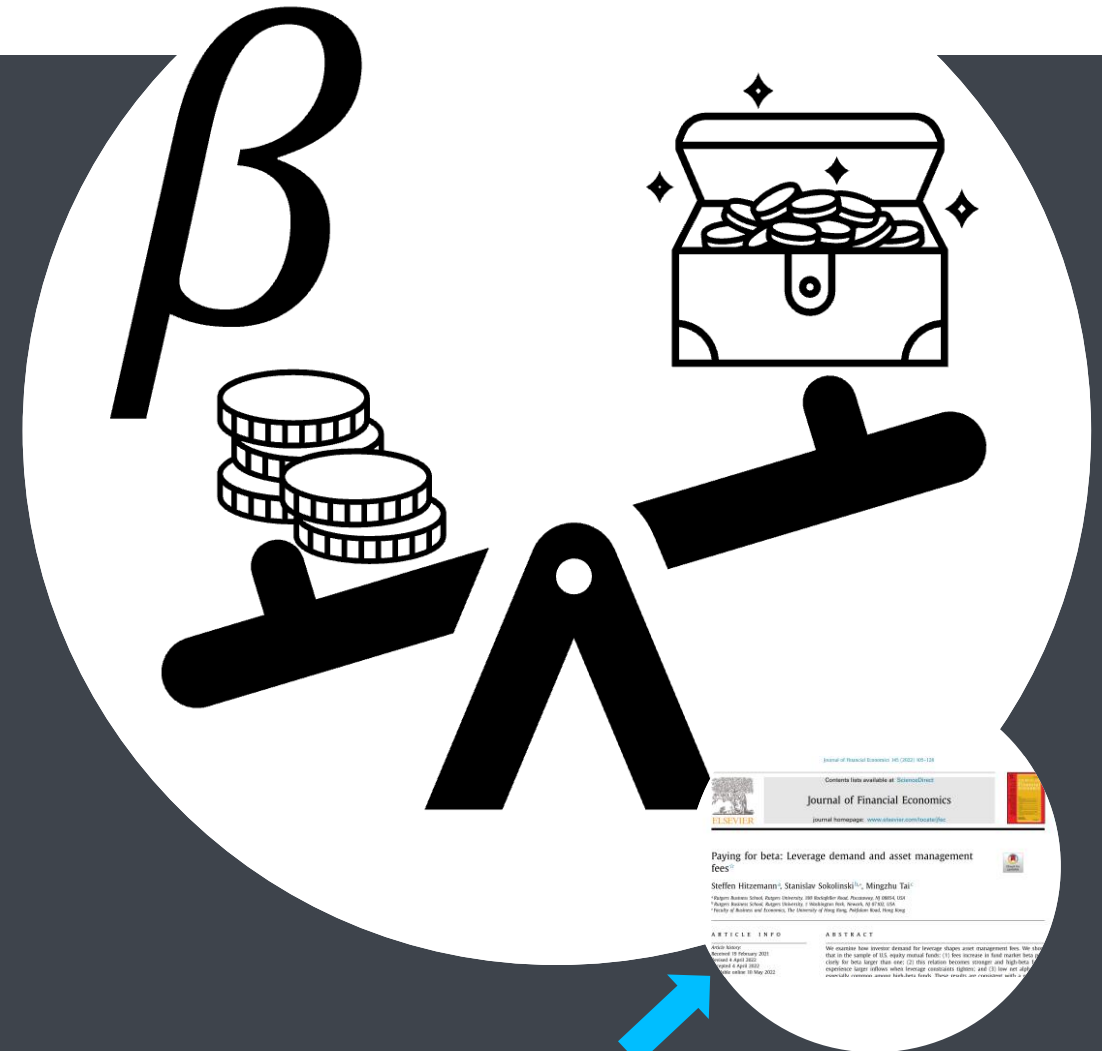
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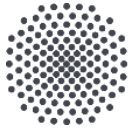
What do investors really care about?

→ Risk appetite and leverage

Investors often delegate their investment decisions to professional asset managers. However, different investors also have different risk preferences and therefore different requirements for the financial leverage of their investments. Asset managers often charge higher fees for this demand for leverage.



Introductory literature



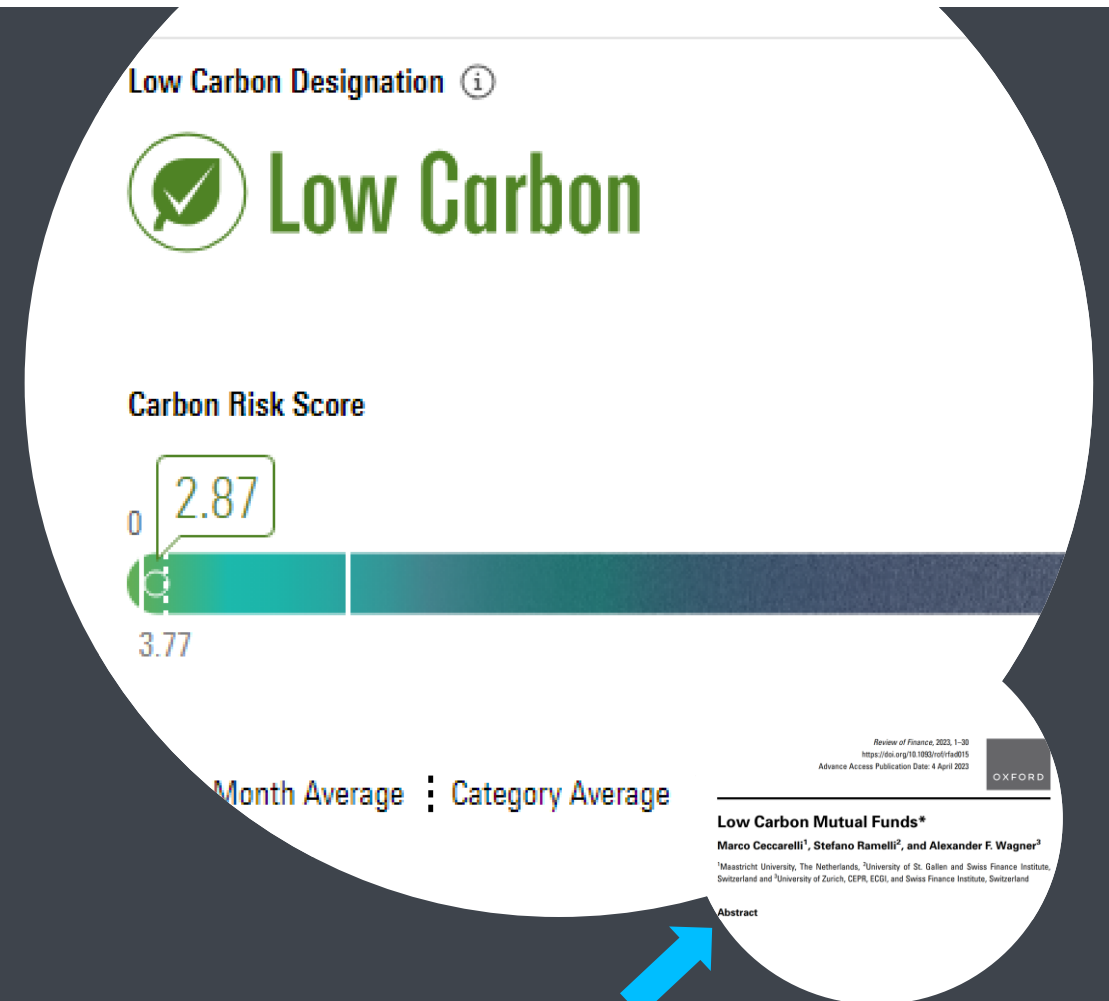
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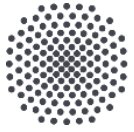
What do investors really care about?

→ Sustainability

Climate change also poses new challenges for fund management. Should investors reduce their exposure to climate-damaging companies as much as possible or should they take full advantage of the benefits of diversification?



Introductory literature



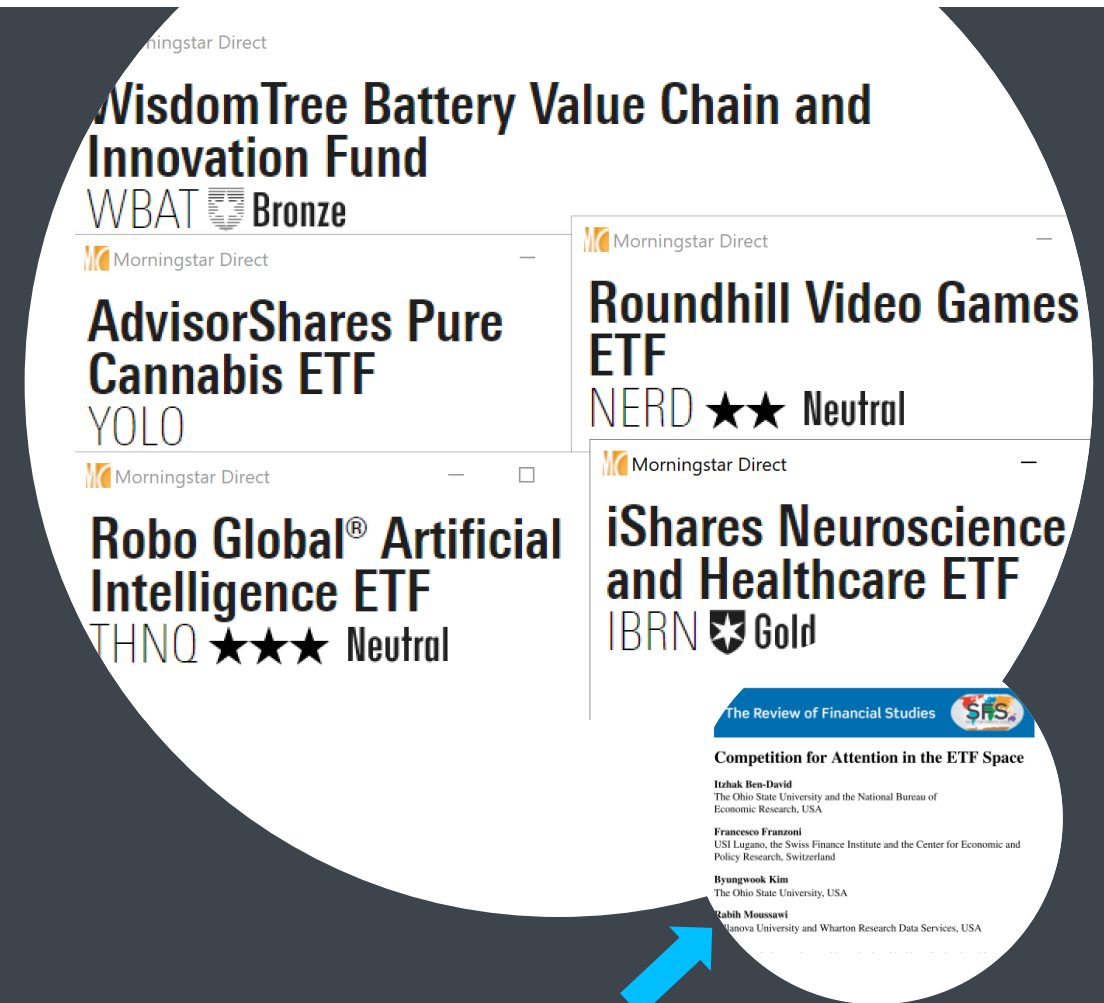
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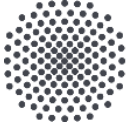
What do investors really care about?

→ Specialized ETFs

Supply and demand also determine the evolution of new ETFs. While traditional ETFs usually invest in broad-based indices, there have recently been more and more theme-based ETFs who only track a small niche portfolio. Are these just “hot-topics” or are such ETFs useful investment opportunities for investors?



Introductory literature



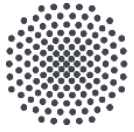
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Master topics

- Topics for Master students
- Link to background literature on the slide of each topic



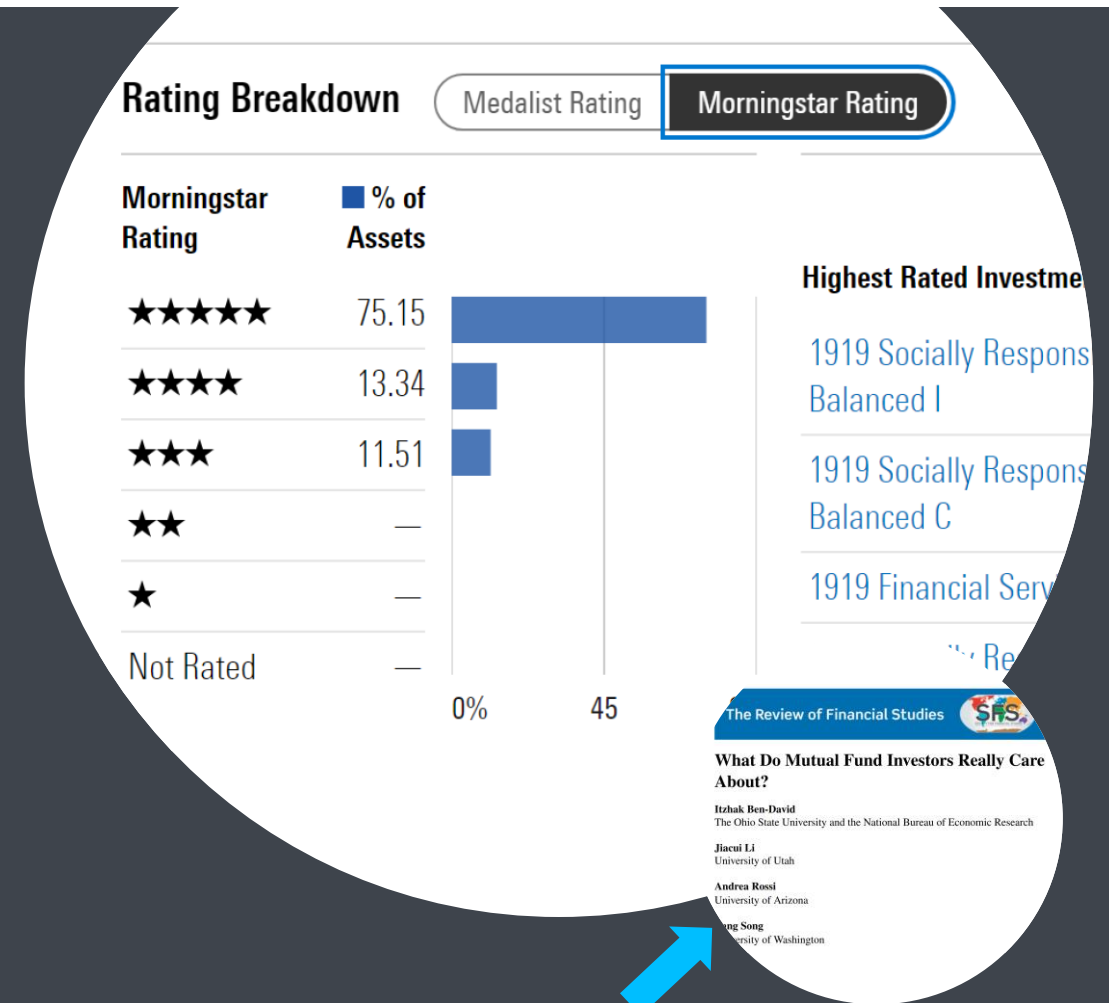
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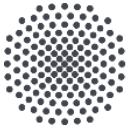
What do investors really care about?

→ Past returns and Morningstar Ratings

Most investors make their investment decisions based on simple signals (such as Morningstar ratings or past returns) rather than more sophisticated measures (such as alpha).



Introductory literature



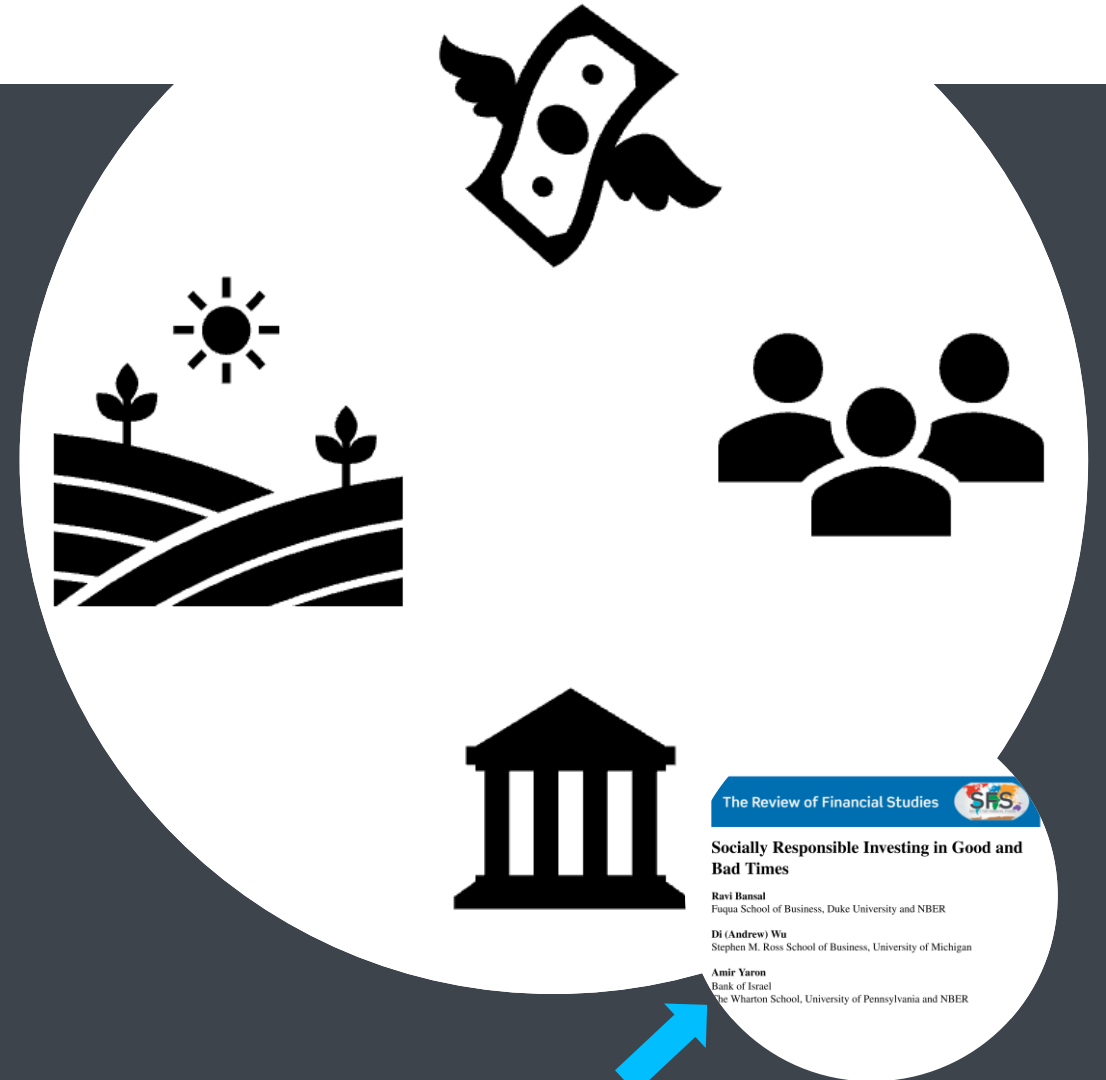
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What do investors really care about?

→ **Social responsibility (but only when things are going well...)**

In good economic times, socially responsible investments perform better than less social investments. However, this is reversed when the economy slows down. Investors' demand for socially responsible investments therefore depends on their current wealth.



Introductory literature