



FIN 036: Portfolio Management

General Information:

Term: 2018 Summer Session

Instructor: Staff

Language of Instruction: English

Classroom: TBA

Office Hours: TBA

Class Sessions Per Week: 5

Total Weeks: 6

Total Class Sessions: 30

Class Session Length (minutes): 100

Credit Hours: 4

Course Description:

This course explores the technical skills involved in investment decision-making. Students will learn these skills and how to create a portfolio. We will discuss the key concepts of investment, various return measures, tradeoff between risk and return, behavioral science and financial derivatives. This course aims to prepare students for pursuing a career in investment in the future.

Course Format and Requirements:

Attendance

The use of smart phones is prohibited in class. Students should attend every class. The attendance is not mandatory but missing classes will make learning extremely difficult.

Course Materials:

Textbook



Frank K. Reilly and Keith C. Brown, **Investment Analysis and Portfolio Management**, 10th Edition, South-Western Cengage Learning, 2011, ISBN-13: 978-0538482387.

Course Assignments:

Quiz

There will be 6 quizzes administered through the whole semester and the lowest one will be dropped. Quizzes will always be completed in the first ten minutes of class and cannot be made up. Quizzes will consist of a series of multiple choice, matching, true/false, and short-answer questions.

Exams

Exams will be testing your comprehension of concepts and arguments. The midterm and final exams will both contain true/false, multiple choice and short answer questions. The exam content will be selected from readings, lectures and class discussions.

Course Assessment:

Quizzes	15%
Midterm	40%
Final	45%
Total	100%

Grading Scale (percentage):

A+: 98%-100%

A: 93%-97%

A-: 90%-92%

B+: 88%-89%

B: 83%-87%

B-: 80%-82%

C+: 78%-79%



C: 73%-77%

C-: 70%-72%

D+: 68%-69%

D: 63%-67%

D-: 60%-62%

F: Below 60%

Course Schedule:

Class 1:

Introduction to the course

Go through syllabus

Class 2:

Investment setting, measures of return and risk and their relationship

Class 3:

Determination of required rates of return

Class 4:

Asset allocation

Life cycle

Class 5:

Portfolio management process

Policy statement

Class 6:

Retirement plan

Global investments



Class 7:

Investment choices

Historical risk-return on alternative investments

Class 8:

Securities markets

Class 9:

Primary, secondary, classification of U.S. secondary equity markets

Class 10:

Stock and bond market indexes

Class 11:

Composite stock-bond indexes

Class 12:

Comparison over time

Dividends and share repurchases

Class 13:

MM irrelevancy theorem

Class 14:

Signaling theory

Class 15:

Tax clientele effect



Efficient capital markets

Class 16:

Implications

Behavioral finance

Class 17:

Review previous chapters;

Class 18:

Answer questions

Prepare for the midterm exam

Class 19:

Midterm

Class 20:

Go over the midterm exam

Introduction to portfolio management

Class 21:

Markowitz theory

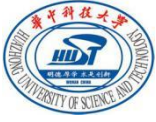
Class 22:

Asset pricing models

Multifactor models

Class 23:

Arbitrage pricing model



Class 24:

Analysis of financial statements

Class 25:

Financial ratios

Security valuation

Class 26:

Alternative investments

Relative valuation techniques

Class 27:

Estimating require return for foreign securities

Class 28:

Relative valuation techniques

Class 29:

Estimating require return for foreign securities

Class 30:

Final Exam (Cumulative): TBA

Note: Students can seek extra help during the instructor's office hours, and interaction sessions offered on Fridays

Academic Integrity:



Students are encouraged to study together, and to discuss lecture topics with one another, but all other work should be completed independently.

Students are expected to adhere to the standards of academic honesty and integrity that are described in the Huazhong University of Science & Technology's *Academic Conduct Code*. Any work suspected of violating the standards of the *Academic Conduct Code* will be reported to the Dean's Office. Penalties for violating the *Academic Conduct Code* may include dismissal from the program. All students have an individual responsibility to know and understand the provisions of the *Academic Conduct Code*.

Special Needs or Assistance:

Please contact the Administrative Office immediately if you have a learning disability, a medical issue, or any other type of problem that prevents professors from seeing you have learned the course material. Our goal is to help you learn, not to penalize you for issues which mask your learning.