FIN 377.1 Portfolio Analysis and Management

Fall 2012 Syllabus

Successful completion of the Portfolio Analysis and Management course provides students with comprehensive knowledge of the subject and a set of tools designed to assist them in the investment decision-making process at the portfolio manager level. The prerequisite of FIN 367, Investment Management, is required as the consistent application of knowledge gained in this course will be necessary to complete the assigned cases, homework problems, as well as adequately comprehend the assigned readings.

Instructor:	Gregory A. Alves | Greg.Alves@mccombs.utexas.edu
Required Text:	Running Money: Professional Portfolio Management, by Stewart, Heisler & Piros McGraw Hill, 2011
Online Learning Center:	www.mhhe.com/sph1e
Office:	GSB 4.126G
Office Hours:	Wednesdays following class for 1 hour
Course Room & Time:	UTC 1.104 MW 9:30 to 11:00 am

Grading & Reporting

Assignment	Percent	Responsibility	Assessed by
Cases	40%	Team	Instructor
Homework	25%	Student	Instructor
Team Assessment	10%	Student	Fellow Team Members
Final Exam	25%	Student	Instructor

- +/- Grading: Letter grades A, A-, B+, B, B-, C+, C, C-, D+, D, D- or F
- No grading curve employed
- No credit beyond the above graded assignments is allocated during or after the end of the semester
- Incompletes may be granted at my discretion and in accordance with the *General Information Catalog* found here: http://registrar.utexas.edu/catalogs

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Schedule

Green = Topic | Blue = Assignment | Red = Assignment Due

Week	Monday	Wednesday
01 Aug 29	Break	Topic: Introduction Read for Week 2, 3: CH 1, 2 Assign: Homework 1 1st Deliverable
02 Sep 3, 5	Holiday	Topic: Client Objectives
03 Sep 10,12	Topic: Client Objectives	Topic: Client Objectives Due: Homework 1 Read for Week 4: CH 3 Assign: Homework 2
04 Sep 17, 19	Topic: Asset Allocation	Topic: Asset Allocation Due: Homework 2 Read for Week 5: CH 4 Assign: Homework 3
05 Sep 24, 26	Topic: Asset Allocation Asset Allocation Inputs Due: 1st Deliverable	Topic: Asset Allocation Inputs Read for Week 6: CH 5 Assign: 2nd Deliverable
06 Oct 1, 3	Topic: Asset Allocation Inputs Advanced Topics in Asset Allocation	Topic: Advanced Topics in Asset Allocation Due: Homework 3 Read for Week 7: CH 6 Assign: Homework 4
07 Oct 8, 10	Topic: The Investment Management Process	Topic: The Investment Management Process Due: Homework 4 Read for Week 8: CH 7 Assign: Homework 5
08 Oct 15, 17	Topic: Equity Portfolio Investing	Topic: Equity Portfolio Investing Due: Homework 5 Read for Week 9: CH 8 Assign: Homework 6

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Schedule (Continued)

Week	Monday	Wednesday
09 Oct 22, 24	Topic: Equity Portfolio Construction	Topic: Equity Portfolio Construction Due: Homework 6 Read for Week 10: CH 9 Assign: Homework 7
10 Oct 29, 31	Topic: Fixed-Income Management Due: 2nd Deliverable	Topic: Fixed-Income Management Read for Week 11: CH 10 Assign: 3rd Deliverable
11 Nov 5, 7	Topic: Global Investing	Topic: Global Investing Due: Homework 7 Read for Week 12: CH 11 Assign: Homework 8
12 Nov 12, 14	Topic: Alternative Investment Classes	Topic: Alternative Investment Classes Due: Homework 8 Read for Week 13: CH 12 Assign: Homework 9
13 Nov 19, 21	Topic: Portfolio Management through Time	Topic: Portfolio Management through Time Due: Homework 9 Read for Week 14: CH 13 Assign: Homework 10
14 Nov 26, 28	Topic: Performance Measurement	Topic: Performance Measurement Read for Week 15: CH 14 Due: Homework 10
15 Dec 3, 5	Topic: Incentives, Ethics, and Policy Due: 3rd Deliverable Due	Topic: Review Due: Team Assessment
Final Examination Date: Saturday, December 15, 9:00-12:00 noon		

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Homework

I will issue homework assignments on the days noted in the schedule. Homework will consist of end of the chapter problems and the *Excel Outboxes* if any. Generally, all problems will be assigned for the chapters covered during the period just prior to when a given homework assignment is due. For example, Homework 1 will consist of all problems in Chapters 1, 2, and the Excel Outbox in Chapter 2. Completion of the problems will demonstrate your reading comprehension of the subject and provide you with insight necessary to completing the case deliverable problems. While it may be possible to acquire the answers to these problem sets, I require that you attempt your best individual effort to complete these problems so that I may identify where, not only you as an individual is having difficulty, but possibly the class in general. In that way, I am able to revisit a subject and reinforce your understanding of the material. Please be as concise as possible with your answers and number the results clearly, so that I may easily identify the solution. Clearly print your name, homework assignment number, and date on your work. I will not accept homework submitted after the due date except in those cases described under the "Religious Holy Days" section of this syllabus.

Case Deliverables

Page 519 of the textbook under the heading, "Sample Cases," contains information about the case deliverables. Depending on the ultimate roster, the class will be broken up into what will likely be eight groups of approximately six people. I will assign individuals randomly to each group. Once groups are established, they will remain in place until the end of the semester. Each group will be responsible for three of the four case deliverables outlined in the book. Each group will be responsible for all but the Fairbanks Fund case. Your deliverables must follow the outlines in the textbook listed for each case. Use the outline headings in your paper so that I may clearly identify your response to a given problem. I will not accept a late deliverable submission by the group. If an individual within the group qualifies for a "Religious Holy Days" exemption, he or she must follow the notification procedures described herein so that accommodations can be made to assure the group is able to complete the submission on

the date due. You will submit a letter grade in accordance with the grading system listed in this syllabus for each of your fellow team members. Your submission will remain confidential. In rare cases where a team member is not performing to an acceptable standard, the group must notify the instructor. If necessary, the instructor may remove a member and thus require the individual to submit the required deliverables on his or her own.

Religious Holy Days

University of Texas at Austin policy requires that you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, I will give you the opportunity to complete the missed work within a reasonable time after the absence.

Academic Integrity

The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the BBA Program's Statement on Scholastic Dishonesty at http://www.mccombs.utexas.edu/BBA/Code-of-Ethics.aspx. By teaching this course, I have agreed to observe all faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all student responsibilities described in that document. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, the integrity of the University, and the value of our academic brand, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at http://deanofstudents.utexas.edu/sjs/ to access the official

University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

Campus Safety

Please note the following recommendations regarding emergency evacuation from the Office of Campus Safety and Security, 512-471-5767, http://www.utexas.edu/safety/:

- Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings when a fire alarm is activated. Alarm activation or announcement requires exiting and assembling outside.
- Familiarize yourself with all exit doors of each classroom and building you may occupy. Remember that the nearest exit door may not be the one you used when entering the building.
- Students requiring assistance in evacuation should inform their instructor in writing during the first week of class.
- In the event of an evacuation, follow the instruction of faculty or class instructors.
- Do not re-enter a building unless given instructions by the following: Austin Fire Department, The University of Texas at Austin Police Department, or Fire Prevention Services office.
- Behavior Concerns Advice Line (BCAL): 512-232-5050
- Further information regarding emergency evacuation routes and emergency procedures can be found at www.utexas.edu/emergency.

Students with Disabilities

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512-471-6259, http://www.utexas.edu/diversity/ddce/ssd/.