

# FLORIDA ATLANTIC UNIVERSITY™

## Graduate Programs—NEW COURSE PROPOSAL <sup>1</sup>

UGPC APPROVAL \_\_\_\_\_  
 UFS APPROVAL \_\_\_\_\_  
 SCNS SUBMITTAL \_\_\_\_\_  
 CONFIRMED \_\_\_\_\_  
 BANNER POSTED \_\_\_\_\_  
 CATALOG \_\_\_\_\_

DEPARTMENT FINANCE

COLLEGE BUSINESS

RECOMMENDED COURSE IDENTIFICATION (TO OBTAIN A COURSE NUMBER, CONTACT [NMALDONADO@FAU.EDU](mailto:NMALDONADO@FAU.EDU))

PREFIX FIN COURSE NUMBER 6525 LAB CODE (L or C) C

COMPLETE COURSE TITLE: Portfolio Management

### EFFECTIVE DATE

(first term course will be offered)

SPRING 2016 [EXEC TERM]

CREDITS <sup>2</sup>  
3

#### TEXTBOOK INFORMATION

PORTFOLIO PDF- EBOOKS AND READINGS : WARREN BUFFET, BENJAMIN GRAHAM, PETER LYNCH, POWERPOINT DECKS AND ARTICLES

GRADING (SELECT ONLY ONE GRADING OPTION): REGULAR X SATISFACTORY/UNSATISFACTORY \_\_\_\_\_

#### COURSE DESCRIPTION, NO MORE THAN THREE LINES:

THE COURSE EXAMINES THE CURRENT TRENDS IN INVESTMENT. THE COURSE ANALYZES FINANCIAL REPORTS AND THE MOVEMENTS OF SECURITY PRICES. THE COURSE WILL DISCUSS QUANTITATIVE AND QUALITATIVE APPROACHES TO INVESTMENT MANAGEMENT AND PORTFOLIO SELECTION.

#### PREREQUISITES\*

PRINCIPLES OF ACCOUNTING AND PRINCIPLES OF ECONOMICS

#### COREQUISITES\*

#### REGISTRATION CONTROLS (MAJOR, COLLEGE, LEVEL)\*

ADMITTED CANDIDACY TO EXECUTIVE MASTER OF SCIENCE IN FINANCE

\* PREREQUISITES, COREQUISITES AND REGISTRATION CONTROLS WILL BE ENFORCED FOR ALL COURSE SECTIONS.

#### MINIMUM QUALIFICATIONS NEEDED TO TEACH THIS COURSE:

MEMBER OF THE GRADUATE FACULTY OF FAU AND HAS A TERMINAL DEGREE IN THE SUBJECT AREA (OR A CLOSELY RELATED FIELD).

Faculty contact, email and complete phone number:

Luis Garcio-Feijoo, lgarcia@fau.edu

Please consult and list departments that might be affected by the new course and attach comments

None

#### Approved by:

Department Chair: E. Zamora

College Curriculum Chair: Wm R McDaniel

College Dean: Ken H. [Signature]

UGPC Chair: Wm R McDaniel

Graduate College Dean: [Signature]

UFS President: \_\_\_\_\_

Provost: \_\_\_\_\_

#### Date:

2-16-2016

2-16-2016

2-16-2016

3-2-14

3-2-16

1. Syllabus must be attached; see guidelines for requirements: [www.fau.edu/provost/files/course\\_syllabus.2011.pdf](http://www.fau.edu/provost/files/course_syllabus.2011.pdf)

2. Review Provost Memorandum: **Definition of a Credit Hour** [www.fau.edu/provost/files/Definition\\_Credit\\_Hour\\_Memo\\_2012.pdf](http://www.fau.edu/provost/files/Definition_Credit_Hour_Memo_2012.pdf)

3. Consent from affected departments (attach if necessary)

Email this form and syllabus to [UGPC@fau.edu](mailto:UGPC@fau.edu) one week before the University Graduate Programs Committee meeting.



**FIN 6525 – Section -  
CRN:  
Portfolio Management**

**Professor Information**

TBA

**Office Hours:** Before Class, After Class and By Appointment,  
Office: Office Depot Executive Education Center, Room 201.

**E-mail:** [TBA](#)

**Phone:** 561-XXX-XXX

**Office Hours**

**Office Hours:** Before class and after class

**Required Text and Materials**

Portfolio PDF- eBooks and Readings : Warren Buffet, Benjamin Graham, Peter Lynch, Powerpoint Decks and Articles

A financial calculator is needed for this course.

**Recommended Readings:** The Wall Street Journal and The Economist

**Course Description**

The course examines the current trends in investment. The course analyzes financial reports and the movements of security prices. The course will discuss quantitative and qualitative approaches to investment management and portfolio selection.

**Course Prerequisites and Credit Hours and Class Time Commitments**

**Prerequisites:**

Principles of Accounting and Principles of Economics and Graduate Standing

**Credits:** 3 Credits

**Class Time Commitments:** The course requires significant out of class time to be successful.

“According to Florida State Statute 6A-10.033, students must spend a minimum 2,250 minutes of in class time during a 3-credit course. Additionally, students enrolled in a 3-credit course are expected to spend a minimum of 4,500 minutes of out-of-class-time specifically working on course-related activities (i.e., reading assigned pieces, completing homework, preparing for exams and other assessments, reviewing class notes, etc.) and fulfilling any other class activities or duties as required.” The course schedule for this course reflects this expectation of students.

### **Course Learning Objectives**

- Learn modern approaches to investment management
- Learn diversification and asset allocation models
- Understand the role of correlation in portfolio construction
- Understand the basic tenets of modern portfolio theory
- Learn investment management styles – value, growth , capitalization
- Learn various portfolio management strategies
- Understand the role of risk in portfolio management
- Learn basic debt and equity portfolio management strategies
- Learn the basic investment strategies and principles of legendary Wall Street investors
- Understand how to evaluate the performance of portfolio (i.e. risk adjusted performance)and the various types pf returns
- Introduce alternative investment topics such as private equity, hedge funds and fund of funds

**Course Design Lectures** There will be lectures covering investing concepts as well as assigned reading materials. In addition, there will be articles chosen that relate to the subject matter.

**Course Strategy:** To accomplish the objectives of the course, the methods of instruction will include lecture and discussions.



**Grading Scale:**

<b><u>Grading Scale:</u></b>	<b><u>Grade</u></b>	<b><u>Percentage</u></b>
	A	>93 %
	A-	90 %
	B+	88 %
	B	82 %
	B-	80 %
	C+	78 %
	C	72 %
	C-	70 %
	D+	65 %
	D	60 %
	D-	55 %
	F	0

**Course Evaluation Method**

**Course Grading:** Grades will be determined as follows:

Midterm Exam – 40%

Final Exam – 45%

Investment Project - 15%

The final exam will be cumulative. There will be no make-up exams.



**How to Study For the Exams:**

1. Focus on your notes. Focus on your notes!!
2. If a concept is not clear, listen to the recorded class then go back to your notes.

**Project Requirement:**

There will be a semester-long project requiring the creation of an equity portfolio, a mutual fund portfolio and a fixed income portfolio. The project will require research outside of class including the use of corporate and financial websites, Wall Street Journal, etc. Additionally, the project will require the use of word processing and spreadsheet software. The project is not to exceed 10 Page.

**Additional Course Policies**

**Missing Exams**

There will be no make-up exams.

**Attendance Policy**

Class attendance is critical. Consistent with Class participation, if you are not here, you cannot participate. Thus, missing more than 2 classes will lower your grade for the course.

**The Pace of the Course:** As you will note from the Tentative Course Outline listed below, we have a tremendous amount of material to cover that you will need know to pass this course. Additionally, you will need to be able to apply these concepts in the next course – the finance case class.

**As such, the course material will be covered at a rapid pace. Thus, it will be the student's responsibility to read the material ahead of time and to become familiar with the content so that they can ask informed question.**



## Tentative Course Outline

<u>Date</u>	<u>Topics to be discussed</u>
<b>Week 1</b>	
04/04	Introduction: Investment Setting/Life Cycle and Process, Basic Overview of Markets
04/06	
<b>Week 2</b>	
04/11	Rates of Return, Types of Return and Risk, Yields,
04/13	Sources of Stock Price Volatility, Mean Reversion Market Indices and Averages
<b>Week 3</b>	
04/18	Diversification, Correlation, Asset Allocation Models, MPT overview
04/20	International Investing and international markets <b>Review for Mid-term</b>
<b>Week 4</b>	
04/25	Mid-term Exam
04/27	Active Portfolio Management vs. Passive Management
<b>Week 5</b>	
05/02	Stocks: Investing styles: Value, Growth, Income, Large Cap, Mid cap Small Cap, Defensive, Cyclical, Dollar cost averaging



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05/04

Introduction to technical analysis and  
fundamental analysis, Introduction to mutual funds, ETFs and  
REITS

Mutual funds and ETFs cont.

Performance Evaluation and Risk adjusted return

Review for the Final Exam

Final Exam (Cumulative) – Group Project is due.



Code of Academic Integrity Policy Statement

**Selected University and College Policies**

Students at Florida Atlantic University are expected to maintain the highest ethical standards. Academic dishonesty is considered a serious breach of these ethical standards, because it interferes with the university mission to provide a high quality education in which no student enjoys an unfair advantage over any other. Academic dishonesty is also destructive of the university community, which is grounded in a system of mutual trust and places high value on personal integrity and individual responsibility. Harsh penalties are associated with academic dishonesty. For more information, see [University Regulation 4.001](#).

Disability Policy Statement

In compliance with the Americans with Disabilities Act (ADA), students who require special accommodation due to a disability to properly execute coursework must register with the Office for Student Assessability Services (SAS) – in Boca Raton, SU 133, (561) 297-3880; in Davie, LA 131, (954) 236-1657; in Jupiter, SR 117, (561) 799-8585 – and follow all SAS procedures.

Religious Accommodation Policy Statement

In accordance with rules of the Florida Board of Education and Florida law, students have the right to reasonable accommodations from the University in order to observe religious practices **and beliefs with regard to admissions, registration, class attendance and the scheduling of** examinations and work assignments. For further information, please see [Academic Policies and Regulations](#).

University Approved Absence Policy Statement

In accordance with rules of the Florida Atlantic University, students have the right to reasonable accommodations to participate in University approved activities, including athletic or scholastics teams, musical and theatrical performances and debate activities. It is the student's responsibility to notify the course instructor at least one week prior to missing any course assignment.

College of Business Minimum Grade Policy Statement

The minimum grade for College of Business requirements is a "C". This includes all courses that are a part of the pre-business foundation, business core, and major program. In addition,



courses that are used to satisfy the university's "Writing Across the Curriculum" and Gordon Rule math requirements also have a minimum grade requirement of a "C". Course syllabi give individualized information about grading as it pertains to the individual classes.

#### Incomplete Grade Policy Statement

A student who is passing a course, but has not completed all work due to exceptional circumstances, may, with consent of the instructor, temporarily receive a grade of incomplete ("I"). The assignment of the "I" grade is at the discretion of the instructor, but is allowed only if the student is passing the course.

The specific time required to make up an incomplete grade is at the discretion of the instructor. However, the College of Business policy on the resolution of incomplete grades requires that all work required to satisfy an incomplete ("I") grade must be completed within a period of time not exceeding one calendar year from the assignment of the incomplete grade. After one calendar year, the incomplete grade automatically becomes a failing ("F") grade.

#### Withdrawals

Any student who decides to drop is responsible for completing the proper paper work required to withdraw from the course.

#### Grade Appeal Process

A student may request a review of the final course grade when s/he believes that one of the following conditions apply:

- There was a computational or recording error in the grading.
- Non-academic criteria were applied in the grading process.
- There was a gross violation of the instructor's own grading system.

The procedures for a grade appeal may be found in [Chapter 4 of the University Regulations](#).

#### Disruptive Behavior Policy Statement

Disruptive behavior is defined in the FAU Student Code of Conduct as "... activities which interfere with the educational mission within classroom." Students who behave in the classroom such that the educational experiences of other students and/or the instructor's course objectives are disrupted are subject to disciplinary action. Such behavior impedes students' ability to learn or an instructor's ability to teach. Disruptive behavior may include, but is not limited to: non-approved use of electronic devices (including cellular telephones); cursing or shouting at others in such a way as to be disruptive; or, other violations of an instructor's expectations for classroom conduct.



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### **Faculty Rights and Responsibilities**

Florida Atlantic University respects the right of instructors to teach and students to learn. Maintenance of these rights requires classroom conditions which do not impede their exercise. To ensure these rights, faculty members have the prerogative:

- To establish and implement academic standards
- To establish and enforce reasonable behavior standards in each class
- To refer disciplinary action to those students whose behavior may be judged to be disruptive under the Student Code of Conduct.