

To: Students, IDH 3034/3035
Honors Seminar V: Aesthetics, Values, and Authority

From: Tony Vu, Adjunct Faculty
Treasurer and Assistant Superintendent, Miami-Dade County Public Schools

Date: 18 January 2018

RE: **Investment Management: Theory and Application of Portfolios**
A Global Learning Foundations Course

"Education is not the filling of a pail, but the lighting of a fire" – William Butler Yeats

Welcome to the portfolio theory and application class. To follow, I'll try to answer a few questions you might have about the class.

Why should I care about Portfolio Theory? Why should I take this course?

You either like money, have money or would like to have money. This course will teach you how to keep the money you (will) have, how to make more money with that money, or in many cases, grow someone else's money.

What are goals of this course?

First, we'll need to agree to and establish some basic ground rules – I've outlined some them formally in this syllabus. Other rules we'll establish as the class progresses – as I learn what works for you and as you become accustomed to my teaching style(s). In the end, the functional goal is that you will learn the basic framework for how investment portfolios work, theoretically and practically, both in the U.S. and international markets.

Furthermore, I hope you will practice your skills in critically examining aspects of the global investment industry, including diversification, the roles and responsibilities within the companies and institutions related to investments and how social responsibility issues could impact investment decisions. Finally, by the conclusion of this class, you should have the skills to serve on an investment committee – if only for yourself and your own investments.

I'm looking forward to assisting you in reaching these goals.

"Life is a journey, not a destination" – Ralph Waldo Emerson
"The map is not the journey." – Not sure, but I think I said it at least once

How can I contact the instructor?

Email (preferred): pvu@fiu.edu (include "IDH" in the subject line/field and reason for email)
Phone (emergency): (305) 812-6393 (text is best, then I'll call you, if needed)

How will I succeed in this course?

Team based and active learning are the core teaching methods we'll use to reach the goals of this course. You'll need to complete readings, quizzes and other assignments to access the case studies that we'll conduct during most of the onsite class sessions. The case studies will be presented as teams that represent members of an investment committee.

The mandatory assignments and quizzes will be selected and designed to provide the foundation of knowledge for you to understand and discuss the case studies within your teams and then can present your team's position during onsite sessions.

Teams will be evaluated on the **quality** of their contributions to the case study discussions and you'll be successful by supporting your teams by completing the assignments to access the case studies in a timely manner.

GRADING WEIGHTS

60%	Case Studies (5 x 12 points each)
25%	Quizzes (5 x 5 points each)
05%	Assignments (5 x 1 points each)
10%	Final Cumulative Exam (1 x 10 points)
100%	Total

EXTRA CREDIT

5%	Team Member Evaluations (5 points max)
5%	Portfolio Performance (5 points max)
10%	Total

GRADING SCALE

Letter Grade	Range	Letter Grade	Range	Letter Grade	Range
A	95 - 100+	B	82 - 85	C	66 - 73
A-	90 - 94	B-	78 - 81	D	54 - 65
B+	86 - 89	C+	74 - 77	F	0 - 53

Major & Curriculum Student Learning Outcomes Targeted

More specifically, this course will target the following learning outcomes:

- Identify the functions of financial markets and institutions and examine their impact on the level of interest rates and interest rate differentials.
- Explore the international integration of financial markets and analyze implications for financial managers.
- Identify and analyze derivative instruments and strategies used by investors and corporations to hedge financial risks. Emphasis will be placed on identification of financial risk and designing optimal risk management strategies.
- Determine and analyze the appropriate measures of risk and return for various financial instruments. Understand the mechanics and regulation of financial securities exchanges and determine how the value of stocks, bonds, and securities are calculated.

Students will use quantitative analytical skills, apply critical thinking, demonstrate ethical understanding and reasoning abilities, including an understanding of the ethical responsibilities of organizations, demonstrate the knowledge, skills and attitudes to compete in a global business environment, use information technology as a tool to do essential business tasks, and be able to individually and collaboratively present written and oral

statements. More specifically, assignments will attempt to have students practice the following curricular knowledge and skills:

ANALYTICAL THINKING SKILLS

- Identify and analyze material factors that are involved in business problems
- Determine and apply relevant frameworks from Accounting, Finance, Decision Sciences, Marketing, and Management to address business problems
- Determine and apply appropriate problem-solving techniques to business problems
- Integrate knowledge across business disciplines to formulate decisions

CRITICAL THINKING SKILLS

- Identify and evaluate relevant issues and information
- Generate, evaluate, and recommend solutions to complex business problems
- Support point of view with a well-reasoned rationale
- Communicate thought processes to others
- Analyze complex business problems, particularly ill-structured ones (i.e., business problems with no "right answer")

ETHICS SKILLS

- Recognize ethical dilemmas
- Evaluate how stakeholders will be affected by various possible solutions to ethical dilemmas
- Make ethical decisions
- Provide a rationale for your decisions using ethical schools of thought.

GLOBAL THINKING SKILLS

- Exhibit knowledge of the major cultural, economic, social and legal environments faced by organizations in global markets
- Demonstrate appropriate responses to cultural diversity in a global economy
- Assess the needs of and justify the advantages accruing from expanding into international markets
- Develop strategies for the challenges of operating in a global environment

INFORMATION TECHNOLOGY

- Use appropriate software to accomplish tasks and solve problems
- Use information technology to perform research

WRITTEN BUSINESS COMMUNICATION

- Present ideas, produce examples, reasons and evidence for his/her own point of view
- Use appropriate language including word choice and sentence variety
- Use appropriate conventions including format, grammar, punctuation, spelling and paragraphing

ORAL BUSINESS COMMUNICATION

- Produce an introduction which gains attention, connects to the topic and establishes credibility
- Present a Thesis Statement that is explicit, identifies topic, previews main points
- Connect to his/her audience, gauge its needs and level of interest
- Demonstrate understanding of the subject knowledge in depth of content
- Produce a well-organized presentation with appropriate visual support, well transitioned and coherent.

Disability Notice

If you have a disability and need assistance, please contact the Disability Resource Center (University Park: GC190; (305) 348-3532) (North Campus: WUC139, (305) 919-5345). Upon contact, the Disability Resource

Center will review your request and contact your professors or other personnel to make arrangements for appropriate modification and/or assistance.

Religious Holidays

The University's policy on religious holidays as stated in the University Catalog and Student Handbook will be followed in this class. Any student may request to be excused from class to observe a religious holy day of his or her faith.

Rules, Policies and Academic Misconduct

Assignments from the text and other resources are listed below for each class session. Students are expected to pace their learning per the posted course assignments.

It is expected that interactive learning and teaching will enrich the learning experience of all students, and that each student will work in partnership with the professor to create a positive learning experience for all. Student engagement is a necessary condition for an effective learning experience, and includes contributions to debate and discussion (if any), positive interactive learning with others, and an enthusiastic attitude towards inquiry. Everyone is expected to be a positive contributor to the class learning community, and students are expected to share the responsibility of teaching each other.

Statement of Understanding between Professor and Student

Every student must respect the right of all to have an equitable opportunity to learn and honestly demonstrate the quality of their learning. Therefore, all students must adhere to a standard of academic conduct, demonstrating respect for themselves, their fellow students, and the educational mission of the University. As a student in the College of Business Administration taking this class:

- I will not represent someone else's work as my own.
- I will not cheat, nor will I aid in another's cheating.
- I will be honest in my academic endeavors.
- I understand that if I am found responsible for academic misconduct, I will be subject to the academic misconduct procedures and sanctions as outlined in the Student Handbook.

Failure to adhere to the guidelines stated above may result in one of the following:

Expulsion: Permanent separation of the student from the University, preventing readmission to the institution.

This sanction shall be recorded on the student's transcript.

Suspension: Temporary separation of the student from the University for a specific period of time.

By taking this course I promise to adhere to FIU's Student Code of Academic Integrity.

NOTE: Intensive Auditing of the course will be conducted to prevent academic misconduct.

Proposed Course Calendar

All classes will be held in GC 271A, Thursdays (dates below), 2:00 – 3:15 Please note that the classroom is available for your mandatory team meetings during the scheduled class times every week.

(RE)INTRO:

- Jan 11 Review team member resumes and performance evaluation scores from Fall
- Jan 18 In-person class: **Syllabus and Team Draft**

MODULE 5

- Jan 25 Mandatory team meeting: Prep for case study
- Feb 1 Mandatory team meeting: Prep for case study
- Feb 8 In-person class: **Case study: Harvard Management Company (2010)**

MODULE 6

- Feb 15 Mandatory team meeting: Prep for case study
- Feb 22 Mandatory team meeting: Prep for case study
- Mar 1 In-person class: **Case study: TBD**

MODULE 7

- Mar 8 Mandatory team meeting: Prep for case study
- Mar 15 Spring Break
- Mar 22 Mandatory team meeting: Prep for case study
- Mar 29 In-person: **Case study: TBD**

MODULE 8

- Apr 5 Mandatory team meeting: Prep for case study
- Apr 12 Mandatory team meeting: Prep for case study
- Apr 19 In-person class: **Case study: TBD**

EXAM

- TBD In-person class: **Final exam**