**York University**

**Faculty of Liberal Arts and Professional Studies**

**School of Administrative Studies**

## AP/ADMS 4501 3.00 Advanced Portfolio Management

## Fall 2019 - Course Outline

**Instructors and Class Hours**

**Section A**: Mondays 7:00pm - 10:00 pm in HNE 030; Instructor Muz Parkhani

**Section B**: Tuesdays 11:30am - 2:30pm in HNE 034; Instructor Lois King

**Course Description:**

This course undertakes a rigorous study of the theory and empirical evidence relevant to professional portfolio management. Students learn tools which enable them to manage risks, allocate among asset classes, detect mispriced securities, and measure the performance of portfolio managers.

**Prerequisites**:

*AP/ADMS 3330 3.00; AP/ADMS 3531 3.00*. Course credit exclusions: None. PRIOR TO FALL 2009: Prerequisites: AK/ADMS 3330 3.00; AK/ADMS 3531 3.00. Course credit exclusions: AK/ADMS 4500 3.00 (prior to Summer 2006), AK/ADMS 4501 3.00.

**Organization of the Course:**

This is a hybrid course, combining online lectures and online assignments with group work and classroom lectures. In addition to the textbook, other materials will be posted on the Moodle course websites.

**Textbook**: **Bodie *et al.*, “Investments” Ninth Canadian edition**, McGraw-Hill Ryerson, 2019.

Options for textbook:

1. New hardcopy textbook (with or without Connect; appx cost: $160-$170)
2. Connect online resources (includes e-textbook; appx cost: $90)
3. Used hardcopy textbook

***Note****: We will not be using the Connect resources this term for assignments, so it does not have to be purchased*

**Evaluation**:

* Midterm Exam 36%
* Final Exam 40%
* Group Presentation 10%
* Assignments/quizzes 14%

**Missed Midterm Examination**

If you have an excused absence from the midterm (e.g. illness), your final exam will be a comprehensive exam (which will include the midterm material). The only documentary evidence that will be accepted to support missing the midterm due to illness is the Attending Physician’s Statement (see Forms section below). This form must be completely filled out and submitted to your instructor. You do not need to submit an Academic Petition Form.

**Deferred Standing – Missed Final Examination**

Deferred standing may be granted to students who are unable to write their final examination at the scheduled time or to submit their outstanding course work on the last day of classes. In order to apply for deferred standing, students must register at <https://sas-app.laps.yorku.ca/>. Immediately after registering, hand in a completed DSA form (see link below) and supporting documentation directly to the main office of the School of Administrative Studies (282 Atkinson) and add your ticket number to the DSA form. The DSA and supporting documentation must be submitted no later than five (5) business days from the date of the exam. These requests will be considered on their merit and decisions will be made available by logging into the following link: <https://sas-app.laps.yorku.ca/>. No individualized communication will be sent by the School to the students (no letter or e-mails).

Students with approved DSAs will be able to write their deferred examination during the School’s deferred examination period, which will probably be in January 2019 for all fall classes. No further extensions of deferred exams shall be granted. The format and covered content of the deferred examination may be different from that of the originally scheduled examination. Any request for deferred standing on medical grounds must include an Attending Physician's Statement form (see link below); a “Doctor’s Note” will not be accepted.

Students are strongly encouraged to write the regular exams. Deferred students typically get lower marks, and many fail.

It is the policy of the Admin Studies finance area that instructors will NOT sign a DSA form if you miss both the midterm and final exams. Students in this situation will need to petition for a deferred or a late withdrawal or some other remedy appropriate to their circumstances.

**Forms and Policies**

Attending Physician's Statement form, for missed midterm or missed final exam:

<http://www.registrar.yorku.ca/pdf/attending-physicians-statement.pdf>

DSA Form, for missed final exam:

<http://www.registrar.yorku.ca/pdf/deferred_standing_agreement.pdf>

DSA Process and Petitions for ADMS classes:

<http://www.yorku.ca/laps/sas/links.html>

**Tentative Course Schedule** (Material covered/dates may be revised)

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| --- | --- | --- |
| **Lecture** | **Textbook (eBook) Material/Posted files** | **Assignments/Quizzes/Present.** |
| **1**Monday Sept 9Tuesday Sept 10 | **Classroom lecture*** **Course Overview**
* **Ch.10 – APT and Multifactor Models**

(includes review of MPT and CAPM) | **In-Class Assignment 1**(1%) |
| **2**Monday Sept 16Tuesday Sept 17 | **Online lecture*** **Stock valuation review** (posted file)
* **Bond valuation review** (posted file)
* **Ch.5 – Return and Risk**
 | **Online Quiz 1** (2%)Opens: Mon. Sept 16 at 9amCloses: Wed. Sept 25 at 11pm |
| **3**Monday Sept 23 Tuesday Sept 24 | **Classroom lecture*** **Ch.28 – Investment Policy and CFA Framework**
* Presentation Info
 | **In-Class Assignment 2** (1%)**Groups formed for presentations** |
| **4**Monday Sept 30Tuesday Oct 1 | **Classroom lecture*** **Ch. 17 Macroeconomic & Industry Analysis**
* **Modern Monetary Theory** (posted file)
 | **In-Class Assignment 3**(1%) |
| **5**Monday Oct 7Tuesday Oct 8 | **Classroom lecture*** **Ch. 26 – Hedge Funds**
* **Introduction to ETFs** (posted file)
 | **In-Class Assignment 4** (1%) |
| Monday Oct 14Tuesday Oct 15 | **No Classes****Sat Oct 12 – Fri Oct 18; Reading week** |  |
| **6**Monday Oct 21Tuesday Oct 22 | **Online lecture*** **Ch. 16 - Managing Bond Portfolios**
* Groups should meet for present. work
 | **Online Quiz 2** (2%)Opens: Mon. Oct 21 at 9amCloses: Wed. Oct 30 at 11pm |
| **Friday Oct 25****6pm – 8:30pm** | **Midterm Exam**Material Tested: **Lectures 1 to 5** (incl. posted files and classroom discussions but excluding Lecture 6 -Bonds) |  |
| **8**Monday Oct 28Tuesday Oct 29 | **Classroom lecture*** **Other Alternative Investments**

 (see posted files) | **Group Presentations 1-4** |
| **9**Monday Nov 4Tuesday Nov 5 | **Classroom lecture*** **Using ETFs for building Portfolios**

(see posted files)* **ETF Assignment Details**
 | **Group Presentations 5-8** |
| **10**Monday Nov 11Tuesday Nov 12 | **Classroom lecture*** **Ch.25 – International Diversification**
* **Emerging Markets analysis** (see PPT file)
 | **Group Presentations 9-12** |
| **11**Monday Nov 18Tuesday Nov 19 | **Online Lecture*** **Ch.24 – Portfolio Performance Evaluation**
 | **Online Quiz 3** (2%)Opens: Mon. Nov 18 at 9amCloses: Wed Nov 27 at 11pm |
| **12**Monday Nov 25Tuesday Nov 26  | **Classroom lecture*** **Guest Speaker Class and/or**

**Current events/issues for today’s Portfolio Managers*** Peer Evaluation (for presentations)
* Online Course Evaluation
 | **ETF Assignment** (4%)(due in-class – hard copy) |
| Monday Dec 2Tuesday Dec 3  | No class unless make-up class needed |  |

**Final Exam Date –** to be **scheduled by the R.O.** sometime between **December 5 and 20**.

Material tested on the final exam will only include Lectures 6-12, unless a student has missed the midterm exam (due to a valid reason). In which case, that student will write a comprehensive final exam, covering lectures 1-12.