



PORTFOLIO THEORY AND MANAGEMENT
COMM 421 – CRN 50401
Fall 2015 (September 14th – November 30th)

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OFFICE HOURS: (Mon 9.00am-12.00pm, Tue 3.00pm-5.00pm & Thu 3.00pm- 5.00pm)
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CLASS TIME: Mondays 2.30pm – 5.20pm
CLASS LOCATION: 10 - 4520
WEBSITE: www.unbc.ca/commerce

Information regarding the School of Business at UNBC can be found at: <http://www.unbc.ca/commerce>

COURSE DESCRIPTION

This course is designed to acquaint learners with the concepts of portfolio analysis (risk and return) in the general area of institutional investment planning and management. More emphasis are on management of various forms of investment portfolios including cash and cash equivalent, the fixed income securities, equity investment, precious metal, commodities, income trust, derivatives and real estate. Closely related financial instruments such as forwards, futures and options are also examined.

COURSE OBJECTIVES

On completion of this course, learners are expected to have an expert knowledge of managing investment portfolios as it applies to:

1. Financial needs assessment and analysis.
2. Risk and return assessment.
3. Portfolio analysis and assessment.
4. Portfolio management.

REQUIRED TEXTS

1. Investments, sixth Canadian Edition, by **Bodie**, Kane, Marcus, Perrakis, Ryan, McGraw-Hill
2. Options, Futures and Other Derivatives, by **Hull**, J. C., Prentice Hall
3. Financial Institutions Management, by Anthony **Saunders**, Marcia Millon Cornett and Patricia McGraw, McGraw-Hill Ryerson

COURSE ASSIGNMENTS, EXAMS AND GRADE WEIGHTING

Evaluation Criteria	Due Date	Grade Weight
Mid-Term Exam	October 26th	25%
Final Exam	TBA (December 8 – 18, 2015)	30%
Assignments (2) (Report 30%, Presentation 10%)	October 5th, November 23rd	40%
Attendance and Participation*	Class attendance is taken throughout	5%
Total		100%

*Attendance and participation will be administered regularly and class participation includes work given and completed in class. Therefore, participation will be on a pro-rata basis. And no make up for missed classes.

COURSE WEEKLY SCHEDULE

<u>Date</u>	<u>Discussion Topics</u>	<u>Text Chapter</u>
Sep 14	Introduction & Market Efficiency	Chapter 9
Sep 21	Behavioral Finance and Technical Analysis (<i>Assignment 1 Handout</i>)	Chapter 10
Sep 28	Managing Bond Portfolios	Chapter 14
Oct 5	Security Analysis (Assignment 1 Due Date)	Chapter 15
Oct 19	Options and Other Derivatives Markets Intro Mid-Term Exam Review	Chapter 17
Oct 26	***** MID – TERM EXAMINATION *****	
Nov 2	Option Valuation: Binomial Model I	Chapter 18
Nov 9	Futures, Forwards and Swap Markets (<i>Assignment 2 Handout</i>)	Chapter 19
Nov 16	Active Management and Performance Measurement)	Chapter 20
Nov 23	Portfolio Management Techniques (Assignment 2 Due Date)	Chapter 21
Nov 30	Managed Funds Final Exam Review.	Chapter 22
TBA	***** FINAL EXAMINATION *****	TBA

ASSIGNMENTS GUIDELINES

1. All assignments are to be completed individually; an independent work must therefore be submitted for assessment on the due dates.
2. Copying is not permitted and whoever is in violation will be awarded zero and reported.
3. Assignments must be word processed 12pts characters.
4. Any material consulted must be referenced.
5. All assignments are due at the beginning of class and late submission is **strictly not allowed**.

PAPER FORMAT

- Adherence to all academic standards and forms is expected. Of particular note are the use of the third person in all assignments; the proper citation of sources; inclusion of bibliographies; and the use of proper spelling and grammar.
- All submissions are to use 12-point font, double-spaced.
- Page numbers are required – their use greatly assists in quickly determining missing pages.

CONDUCT IN EXAMINATIONS

Students must present appropriate identification upon entering the examination room. Appropriate identification is defined as a UNBC student card and/or some other form of photo identification acceptable to the proctor. The following regulations (Regulation 40 Undergrad Calendar) apply to the conduct of examinations:

- a. Books, papers, or other materials or devices must not be in the possession of the student during an exam except by the express permission of the examiner. No laptop computers, no cell phones, handheld electronic devices or the like may be in possession of the student in the examination room.

- b. No candidate is permitted to enter the examination room more than 30 minutes after the beginning of the examination, or permitted to leave within 30 minutes after the examination has started.
- c. Candidates must not communicate in any way with other candidates in the examination room.
- d. Candidates must not leave their seats, except when granted permission by the proctor.
- e. Candidates must turn in all materials, including rough work, upon leaving the examination room.
- f. Food and beverages other than water are not permitted in the examination room.

IF YOU HAVE MISSED A FINAL EXAMINATION

Satisfactory explanation, with supporting documentation as appropriate, for any final examination missed must be made by the student or designate to the Office of the Registrar within 48 hours from the time the examination was written. Within 48 hours of receiving a submission, the Registrar or designate may direct the Program under which the course is offered to arrange the writing of a special examination in the case of an examination which was missed. Normally, for explanations of sickness, a doctor's certification is required.(Regulation 43. Undergraduate Calendar)

COURSE SCHEDULE

Grading System see website www.unbc.ca/calendar/undergraduate/general/regulations.html

<u>Excellent</u>	A+	=	90-100
	A	=	85-89.9
	A-	=	80-84.9
<u>Good</u>	B+	=	77-79.9
	B	=	73-76.9
	B-	=	70-72.9
<u>Satisfactory</u>	C+	=	67-69.9
	C	=	63-66.9
<u>Marginal</u>	C-	=	60-62.9
	D+	=	57-59.9
	D	=	53-56.9
	D-	=	50-52.9
<u>Failure:</u>	F	=	0-49.9

MISSING A MIDTERM OR EXAM

Advance notice must be given when a student is unable to appear for an examination. Only duly authenticated bereavement, illness and legitimate reasons are admissible justifications for absence from a scheduled examination (eg. Writing an LSAT or CPA exam and there is a time conflict).

PLEASE DO NOT SCHEDULE TRAVELS DURING THE SEMESTER THAT MAY CONFLICT WITH YOUR ASSIGNMENTS, MID-TERM OR FINAL EXAMS DUE DATES!

PLAGIARISM AND ACADEMIC MISCONDUCT

It is the student's responsibility to be aware of UNBC's Academic regulations, policies and procedures as described in Section 45 of the Undergraduate Academic Calendar. Please refer to the UNBC website. <http://www.unbc.ca/calendar/undergraduate/regulations>

A definition of academic misconduct includes:

Cheating (using unauthorized material, information, or study aids in academic exercise), plagiarism, falsification of records, unauthorized possession of examinations, intimidation and any and all other actions that may improperly affect the evaluation of a student's academic performance or achievement, assisting others in any act, submission of the same work for grades in two courses without permission of the instructor or attempts to engage in such acts.

The regulations on plagiarism apply to all material submitted for a grade: essays, exams, assignments, cases, presentations, quizzes, and practice sets. Any case of suspected academic misconduct will be reported to the campus registrar. If the student is found guilty of academic misconduct there are both grade penalties and disciplinary penalties. Before there is any intention (on your part) or suspicion (on the part of your instructor or your peers) of wrongdoing, please see the instructor to discuss any problems of this nature. If your paper closely resembles a paper from this class or any other class (either written by you or another student, in this semester or any other), this will be considered an infraction of the academic misconduct code.

Respect

Please demonstrate respect to your fellow students who express their thoughts and explore new ideas in the course.

Ethical Standards

The following behaviors are considered unethical:

- Telling the instructor that you "need" a certain grade
- Asking for extra assignments for the purpose of raising a grade
- Asking that the grade be raised because it is very close to the next higher grade
- Asking that the grade be raised because you did very well on one part of the course or grading scheme
- Asking for a higher grade because you don't like the grading scheme
- Asking to be allowed to turn in an assignment late - even a few minutes late - because of computer or printer problems or any other reason
- Asking to be treated better than other students by making an exception to the rules
- Asking for any other unfair advantage in grading.

MISSED Quizzes/Midterms

If you have missed a quiz or midterm, the student should contact the instructor immediately.

FINAL Exams

In addition to the above comments on examinations, please see the calendar regarding details on UNBC expectations. Please refer to Section 39 of the Undergraduate Academic Calendar.

Access Resource Centre

If there are students in this course who, because of a disability, may have a need for special academic accommodations, please feel free to meet with the instructor to review your specific needs or contact the Access Resources Centre located in the Teaching and Learning Centre, Main Floor West Block Room 10-1048 Tel 250-960-5682 or via email arc@unbc.ca For more information, please visit their website www.unbc.ca/arc

Academic Advising

For academic advising please contact the Recruitment and Advising Centre Room 7-714, by email: advising@unbc.ca or via phone at 250-960-6494.

Access Success Centre

For tutoring online or in person; download handouts on writing, math, and referencing; receive study assistance; and much more, please see the Learning Skills Centre. Their website is www.unbc.ca/asc

The Academic Success Centre is committed to supporting and enhancing student learning and to providing the skills students will need to become life-long learners. Through collaborative partnerships, we offer services and resources that empower students to take responsibility for their own learning. Our students' success is our ultimate measure of accomplishment.

This site provides you with access to:

- Free online tutoring
- Downloadable handouts for writing, study skills, math, and presentation skills
- Access to self assessment sites for learning styles, grammar, math, etc.
- Information about face-to-face tutoring and how to book an appointment
- Special programs and workshops offered through the Centre

For more information, please contact the Academic Success Centre located in the Teaching and Learning Building, Room 10-2584 or via Tel 250-960-6367 Fax 250-960-5425 or via email asc@unbc.ca. Their website is www.unbc.ca/asc

Math Academic Centre for Excellence (MACE)

The Mathematical Academic Centre for Excellence (MACE) is a student-centred space dedicated to students taking math-based courses. MACE is a space for working on problems alone or in groups or for getting help from tutors, teaching assistants, and faculty who are available at scheduled times. MACE tutors can be identified by their green ties embroidered with the MACE frog.

Students go to MACE to do practice problems, work in study groups, do math problems related to science and business courses, receive help, and discuss math concepts. MACE is located in room 10-2088 in the Teaching and Learning building.