



EFFECTIVE: SEPTEMBER 2004 CURRICULUM GUIDELINES

A. Division: **Instruction** Effective Date: September 2004

B. Department / Program Area: **Commerce & Business Admin. Business** Revision New Course

If Revision, Section(s) Revised: **C,H,K,L,M,P**

Date of Previous Revision: **2001-09: new course**

Date of Current Revision: **2004-04**

C: **FINC 4460** D: **Stock Market Simulation** E: **3**

Subject & Course No. Descriptive Title Semester Credits

F: Calendar Description:

The objective of this course is to construct equity portfolios for Shanghai A and B Boards and actively assess the impact of various dynamic portfolio strategies in a simulated environment. The simulation will be competitive and will integrate the application of all the portfolio theories previously covered in the Program. The competing teams will be required to examine macro-economic factors, term structure slope, and all the capital market theories into portfolio construction and management through monthly detailed portfolio performance reports.

<p>G: Allocation of Contact Hours to Type of Instruction / Learning Settings</p> <p>Primary Methods of Instructional Delivery and/or Learning Settings:</p> <p>Laboratory and Seminars</p> <p>Number of Contact Hours: (per week / semester for each descriptor)</p> <p>Laboratory: 3 Hours Seminar: 1 Hour Total: 4 Hours</p> <p>Number of Weeks per Semester:</p> <p>15 Weeks X 4 Hours per Week = 60 Hours</p>	<p>H: Course Prerequisites:</p> <p>4th year standing in Financial Markets and Investment Management Program</p> <p>I: Course Corequisites:</p> <p>Nil</p> <p>J: Course for which this Course is a Prerequisite</p> <p>Nil</p> <p>K: Maximum Class Size:</p> <p>35</p>
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L: PLEASE INDICATE:

	Non-Credit
X	College Credit Non-Transfer
	College Credit Transfer:

SEE BC TRANSFER GUIDE FOR TRANSFER DETAILS (www.bccat.bc.ca)

M: Course Objectives/Learning Outcomes

At the end of the course, the successful student should be able to:

1. define and explain the tasks and responsibilities of a portfolio manager;
2. describe and differentiate between the various portfolio management and performance tracking strategies;
3. demonstrate a broad understanding of the capital markets in China within which a portfolio manager must operate;
4. demonstrate a broad understanding of all the factors, economic or otherwise, which contribute to the behaviour of capital markets;
5. explain the determinants of pricing of all types of equity stocks and market fluctuations in the Shanghai Stock Exchange;
6. explain and compute the basic statistical measures of variability and demonstrate their general use in valuing risky stocks;
7. demonstrate a broad understanding of the concepts, principles, procedures and practices involved in constructing portfolios;
8. describe the key elements of investment objectives and benefits of the portfolio management and tracking process and be able to compute rates of return on the portfolio mixes;
9. be able to construct, monitor and weekly assess the portfolio values and portfolio management strategy changes based on investment objectives.

N: Course Content:

1. Review of portfolio management and performance theories.
2. Portfolio construction techniques.
3. Introduction of the software package and Excel portfolio tracking templates.
4. Review of Shanghai Board A and B shares and the index valuations.
5. Introduction of the portfolio simulation rules and requirements.
6. Weekly portfolio updates (buys, sells and changes in the portfolio mix).
7. Weekly performance reports (Investment strategies vs. Actual portfolio performance).
8. Monthly portfolio performance report (to be submitted to instructor for evaluation).
9. Construction of simple statistical and econometric methods to implement portfolio models of Active Asset Allocation.

O: Methods of Instruction

Material will be presented with a seminar and distance monthly group reporting format.

Students will be divided into "simulation groups" and will act as "portfolio managers" responsible for all aspects of tracking and assessing and reporting.

<p>P: Textbooks and Materials to be Purchased by Students</p> <p>As chosen by instructor from:</p> <ul style="list-style-type: none"> • Bodie et al. <u>Investments</u>, Latest Canadian Ed. McGraw-Hill Ryerson. • Cunningham, R.T., <u>Portfolio Tracker</u>, Kolb Publishing, 1992 • Reilly, F. & K. Brown. <u>Investment Analysis: Portfolio Management</u>, Latest Ed. Thompson-South-Western. • Excel based templates will also be introduced by the instructor for performance tracking • A package of journal articles to be provided. • All students are expected to read a daily financial newspaper and be aware of important news events. 								
<p>Q: Means of Assessment</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Monthly comprehensive portfolio reports (including charts, some technical and statistical analysis)</td> <td style="text-align: right; padding: 5px;">50%</td> </tr> <tr> <td style="padding: 5px;">Investment Objectives Report (Due within the first 4 weeks of the semester)</td> <td style="text-align: right; padding: 5px;">10%</td> </tr> <tr> <td style="padding: 5px;">Midterm Progress Report (Defined investment objectives vs. Actual performance)</td> <td style="text-align: right; padding: 5px;">10%</td> </tr> <tr> <td style="padding: 5px;">Term End Final Report/Presentation (consolidation of all the semester’s work)</td> <td style="text-align: right; padding: 5px;">30%</td> </tr> </table> <p>The instructor will define the exact format and the criteria for assessment of all the reports required.</p>	Monthly comprehensive portfolio reports (including charts, some technical and statistical analysis)	50%	Investment Objectives Report (Due within the first 4 weeks of the semester)	10%	Midterm Progress Report (Defined investment objectives vs. Actual performance)	10%	Term End Final Report/Presentation (consolidation of all the semester’s work)	30%
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<p>R: Prior Learning Assessment and Recognition: specify whether course is open for PLAR</p> <p>No.</p>								

Course Designer(s): **Joe Ilsever**

Education Council / Curriculum Committee Representative

Dean / Director: **Rosilyn G. Coulson**

Registrar: **Trish Angus**

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