

FIN4121 Equity Research Seminar 2 (2 MC module)

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Class: Wednesday 8am – 11am, every other week starting 21 January 2015

Venue: CAMRI Lab

Course Description

This course introduces students to the top down approach of portfolio management and how portfolios with multiple countries can be constructed in addition to highlighting the skills needed for stock selection using fundamental research and how these qualitative skills are applied to portfolio management in the investment industry through a series of company research report writing and portfolio positioning and construction.

Course Objective

The objective of this course is to provide a practical framework for students to understand how to construct regional portfolios using a top-down macroeconomic approach and how to blend the fundamental stock research from the students and then to construct a portfolio. The course seeks to prepare students for an investment management career by providing an understanding of what goes on in the minds of investors when they put capital to work. Student will learn the importance of understanding business models and how business create values. They will also learn how portfolios are constructed from stocks they have analysed.

Course Format

The course aims to simulate an actual “buy-side” research environment with class discussion on how to handle country analysis and take into consideration macroeconomic factors. Students will also produce research reports on actual company research writing with the objective of putting them into a real life Asian portfolio. The class will consolidate what is learned in classes like Applied Portfolio Management, Value Investing in Asia by applying them to the research reports.

Meetings are fortnightly. Students are expected to produce one in depth company research every month in sector teams (individual assessment) and present the report in class. During classes, students are expected to participate actively in critiquing presentations of their fellow students. A total of three company reports will be presented for the course, including one on site company research report.

Guest lecturers (portfolio and analysts) will be invited to participate in the lectures to critique case and also deliver short lectures to share their experience.

Groups and case work

Students will work in country/sector teams and are required to produce 2 individual reports and 1 team report. We will arrange for meetings with management subject to availability.

Attendance

This is a 6-week module, students must not miss more than once but will be disadvantaged by the participation grading (absence on medical grounds supported by medical certificates or compassionate reasons not counting).

Grading

1. Class Participation and responds 35%
2. Research Reports 35%
3. Others (fieldwork, presentations) 30%

There will be no final examination for this course.

Recommended Readings:-

Books

1. Manias, Panics and Crashes – Charles Kindleberger
2. The Intelligent Investor – Benjamin Graham
3. Unconventional Success – David F Swensen
4. Expectations Investing – Alfred Rappaport and Micheal J. Mauboussin
5. Capital Accounts – Edward Chancellor (Marathon Asset Management)
6. The Psychology of Risk – Ari Kiev
7. Against the Gods – Peter Bernstein

Papers:

1. Performance Measurement: An Investor's Perspective, Charles M. C. Lee, Stanford University
2. Seven Sins of Fund Management, James Montier