DRAFT
FIN 579, CFRM 554
Institutional Investment Management

<table>
<thead>
<tr>
<th>Instructors:</th>
<th>Garth Reistad and Keith Ferguson Affiliate Instructors, Applied Mathematics</th>
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<tr>
<td>Contact Info</td>
<td><a href="mailto:kfergus@uw.edu">kfergus@uw.edu</a> 206-685-1822</td>
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<tr>
<td>Quarter</td>
<td>Spring 2020</td>
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<tr>
<td>Lecture times</td>
<td>Thursday 4:00-5:50 pm</td>
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<td>Location</td>
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<td>TA</td>
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<td>TA office hours</td>
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<td>Credits</td>
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Course Description
Institutional investing taught by the UW endowment team and prominent external fund managers. The course format will combine lectures and case studies. Guest speakers provide capital market and asset class reviews along with current practice and opportunities. Throughout the quarter, students will have the opportunity to explore a variety of investment topics and interact with outside investment managers and CIO’s to discuss unique investment strategies. Course topics include: endowment policy and philosophy, spending and asset allocation, currency strategy, emerging markets investing, quantitative equity investment strategies, hedge funds, private equity, and fixed income. Reading assignments will form the basis for class discussion.

Learning Objectives
Upon successful completion of the course, the students will be able to:

- Evaluate key differences between institutional investment models, with specific understanding of the endowment model.
- Consider drivers of portfolio performance including asset allocation, investment strategy and manager selection.
- Understand and evaluate market opportunities and investment approaches of traditional and alternative asset classes.
- Differentiate investment theory and practice through interaction with guest speakers.
- Get exposure to quantitative tools used in endowment management.

Computer Software Suggested
When applicable, students are expected to use the R language for statistical computing (www.r-project.org) to develop, evaluate, back-test, and optimize institutional portfolios. Previous experience with R is not required. This option works well for on-line students.

Alternatively, students may complete non-optimization case studies and a final presentation.
**Prerequisites**
A general understanding and interest in economics and investments. CFRM 543 Portfolio Optimization and Asset Management is a preferred pre-requisite or co-requisite for CRFM students intending to complete the optimization assignment.

**Course Assignments and Course Grade**

*Reading*
Weekly assignments as indicated above.

*Case Studies*
There will be 3 case studies corresponding to the 3 outside speakers’ lectures. Each student is expected to complete at least one case study with a group.

Final grade based on the following:
- Participation in class discussion and homework (40%)
- Case Study (60%)

**On-line Students:**
Must complete a paper in lieu of case study/presentation, complete homework prior to class, and submit questions for the class.

**Academic Integrity**
In this class, academic integrity will be taken very seriously and the UW CSE Academic Misconduct Policy will be followed:


**Course Schedule**
The class will meet on Thursday evenings between 4 to 6:00pm. See below for the detailed schedule.

**Course Schedule: Spring 2020** (subject to change)

Class 1 – April 2, 2020
- Lecture: Introduction to Institutional Investing and Endowments

  ✓ Readings: Provided by instructors

Class 2 – April 9, 2020
- Lecture: Asset Allocation/Risk Management – Guest Speaker (City of Seattle Retirement System)

  ✓ Readings: Provided by instructors
Class 3 – April 16, 2020
• Case Study: Foundation Investing – Guest Speaker (BMGI)
✓ Readings: Provided by instructors

Class 4 – April 23, 2020
• Case Study/Prep for Hedge Funds Speaker. 2 of 6 groups present case study.
✓ Readings: Provided by instructors

Class 5 – April 30, 2020
• Speaker 1: Hedge Funds – Brian White (Sahsen Capital)
✓ Readings: TBD in conjunction with outside investment manager

Class 6 – May 7, 2020
• Case Study/Prep for Quantitative Investing Speaker. 2 of 6 groups present case study.
✓ Readings: Provided by instructors

Class 7 – May 14, 2020
• Speaker 2: Quantitative Investing – Stephen Huang (Connor, Clark, & Lund)
✓ Readings: TBD in conjunction with outside investment manager

Class 8 – May 21, 2020
• Case Study/Prep for Fixed Income Speaker. 2 of 6 groups present case study.
✓ Readings: Provided by instructors

Class 9 – May 28, 2020
• Speaker 3: Fixed Income – Mary Pugh (Pugh Capital)
✓ Readings: TBD in conjunction with outside investment manager

Class 10 – June 5, 2020
• Guest Lecture: Venture Capital – Tim Porter (Madrona Capital)
✓ Readings: Provided by instructors