DRAFT

FIN 579, CFRM 532

Institutional Investment Management

Instructors:	Garth Reistad and Keith Ferguson Affiliate Instructors, Applied Mathematics
Contact Info	invest2@uw.edu 206-685-1822
Quarter	Spring 2020
Lecture times	Thursday 4:00-5:50 pm
Location	112 Dempsey Hall
TA	Jize Zhang (jizez@uw.edu)
TA office hours	Tuesday 4:00-6:00 pm
Credits	2

Course Description

Institutional investing taught by the University of Washington Investment Management Company (UWINCO) 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.
- Gain 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.

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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:

http://www.cs.washington.edu/education/AcademicMisconduct

Course Schedule

The class will meet on Thursday afternoons from 4:00 – 5:50 pm. 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 – Jason Malinowski, City of Seattle Retirement System

✓ Readings: Provided by instructors

Class 3 – April 16, 2020

- Case Study/Prep for Hedge Funds Speaker. Group 1 presents case study.

✓ Readings: Provided by instructors (Kay Huang)

Class 4 – April 23, 2020

- Speaker 1: Hedge Funds – Bryan White, Sahsen Capital

✓ Readings: TBD in conjunction with outside investment manager

Class 5 – April 30, 2020

- Case Study: Foundation Investing – Keith Traverse, BMGI

✓ Readings: Provided by instructors

Class 6 – May 7, 2020

- Case Study/Prep for Quantitative Investing Speaker. Group 2 presents case study.

✓ Readings: Provided by instructors (Kjell Konis)

Class 7 – May 14, 2020

- Speaker 2: Quantitative Investing – Connor, Clark, & Lund

✓ Readings: TBD in conjunction with outside investment manager

Class 8 – May 21, 2020

- Case Study/Prep for Fixed Income Speaker. Group 3 presents case study.

✓ Readings: Provided by instructors (Allison Bromley)

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 – Madrona Capital plus Group 4 presents case study.

✓ Readings: Provided by instructors