FIN 579, CFRM 554
Institutional Investment Management

Instructors:	Garth Reistad and Keith Ferguson, Affiliate Instructors, Applied Mathematics
Contact Info	invest2@uw.edu 206-685-1822
Quarter	Spring 2022
Lecture times	Thursday 4:00-5:50 pm
Location	Dempsey Hall
TA, office hours	TBD
Credits	2

Why would you want to take this course?

Are you interested in the world of investments and alternative markets? This course focuses on endowment management and specific challenges institutional fund managers face, including security selection, portfolio construction, manager choice, ESG impacts, and alternative asset class investing. You will learn from UW's endowment team and professional investor guest speakers.

What will you learn from this course?

Upon successful completion of the course, you will be able to:

1. Consider drivers of portfolio performance including asset allocation, investment strategy, and manager selection.
2. Understand and evaluate market opportunities and investment approaches of traditional and alterative asset classes, including PE, VC, and hedge funds.
3. Evaluate key differences between institutional investment models, with specific understanding of the endowment model.
4. Differentiate investment theory and practice through interaction with guest fund managers.
5. Gain exposure to quantitative tools to build analytical investment skills.

Course Description

Institutional investing is taught by the University of Washington Investment Management Company (UWINCO) endowment team. The course is a combination of lectures, reading assignments, guest speakers, and case studies. Throughout the quarter, students will explore a variety of investment topics (endowment policy and philosophy, spending and asset allocation, currency strategy, emerging markets investing, quantitative investment strategies, hedge funds, venture capital, private equity, and fixed income) and interact with outside investment managers and CIO's to discuss unique investment strategies.

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 online 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. All Business School students are welcome.

Course Assignments and Course Grade

Reading

Weekly assignments as indicated below.

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%)

Out of Town 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 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 2022 (subject to change)

Class 1 – March 31, 2022

- Lecture: Introduction to Institutional Investing and Endowments
- ✓ Readings: Provided by instructors

Class 2 – April 7, 2022

- Lecture: Asset Allocation/Risk Management – Jason Malinowski, City of Seattle Retirement System
- ✓ Readings: Provided by instructors

Class 3 – April 14, 2022

- Case Study/Prep for Hedge Funds Speaker. Group 1 presents case study.
- ✓ Readings: Provided by instructors (Kay Huang)

Class 4 – April 21, 2022

- Speaker 1: Hedge Funds – Bryan White, Sahsen Capital
- ✓ Readings: TBD in conjunction with outside investment manager

Class 5 – April 28, 2022

- Case Study: Foundation Investing – Keith Traverse, BMGI
- ✓ Readings: Provided by instructors

Class 6 – May 5, 2022

- Case Study/Prep for Quantitative Investing Speaker. Group 2 presents case study.
- ✓ Readings: Provided by instructors (Kjell Konis)

Class 7 – May 12, 2022

- Speaker 2: Quantitative Investing – Portfolio Manager, Connor, Clark, & Lund
- ✓ Readings: TBD in conjunction with outside investment manager

Class 8 – May 19, 2022

- Case Study/Prep for Fixed Income Speaker. Group 3 presents case study.
- ✓ Readings: Provided by instructors (Allison Bromley)

Class 9 – May 26, 2022

- Speaker 3: Fixed Income – Mary Pugh, Pugh Capital
- ✓ Readings: TBD in conjunction with outside investment manager

Class 10 – June 2, 2022

- Guest Lecture: Venture Capital – Madrona Capital. Group 4 presents case study.
- ✓ Readings: Provided by instructors