

ASIAN INSTITUTE OF MANAGEMENT  
Eugenio López Foundation

**MBA PROGRAM**

**C O U R S E S Y L L A B U S**

**PORTFOLIO MANAGEMENT AND PROFESSIONAL STANDARDS**

<i>Course Code:</i>	PMPS
<i>Faculty:</i>	Prof. Felixberto U. Bustos (local 261, email:felix@aim.edu.ph)
<i>Class:</i>	MBM 2006
<i>Sessions:</i>	Second Trimester: 20 sessions

***Objectives:***

1. To develop the students' knowledge, skills and competencies in evaluating and valuing non-traditional investments, and combining these with traditional investments to form portfolios appropriate for different types of individuals and institutions.
2. To hone students analytical, critical, integrative and systemic thinking skills.
3. To install values and attitudes that would make students more cognizant of their ethical and fiduciary responsibilities as future analysts and portfolio manager.
4. Prepare students for the Portfolio Management portion of the various levels of the CFA examination.

***Course Description:***

The course is a functional course designed for students who are interested in pursuing a career as fund managers or investment counselors. While it will review/introduce non-traditional investment options and tools for evaluating these options, the greater bulk of the course will deal with Portfolio Management Theory and its applications to different types of investors and institutions. Portfolio theory departs from traditional investment analysis in shifting emphasis from analyzing specific characteristics (i.e., risk and return) of individual securities to determining the statistical relationships (e.g., covariance and

correlation) among the individual securities that comprise the overall portfolio. In the latter part of the course, the ethical and professional standards which govern the practice of the portfolio manager in the global arena will be introduced. For the most part, these will be the standards required under the AIMR's Code of Ethics, Standards of Professional Conduct and the Global Investment Performance Standards.

### ***Course Requirement:***

The students are expected to have a fundamental understanding of valuation of bonds and common stocks; basic understanding of futures and options, and familiarity with basic statistical concepts like expected values, variance and covariance.

### **Course Methodology:**

Lecture-discussions of assigned readings, and class discussions of cases that will illustrate or amplify theories or principles discussed will be the primary course learning methodologies. Several quizzes related to the assigned readings will be given. An optional group project and/or a final examination will be the integrating activities of the course.

### **Textbook:**

1. Frank K. Reilly and Keith C. Brown, Investment Analysis and Portfolio Management, 6<sup>th</sup> or later editions. (R&B)

### **References (on library reserve) :**

1. Zvi Bodie, Alex Kane and Alan J. Marcus, Investments, 3<sup>rd</sup> or later editions, (INV)
2. Aswath Damodaran, Investment Valuation, 1<sup>st</sup> or later editions, (AD)
3. Maginn & Tuttle, Managing Investment Portfolios, 1<sup>st</sup> or later editions, (MT)





## ***Basis of Grades***

Class Participation	50%	
Quizzes	20%	
Group Paper	30%)	Either one of these two activities will be accepted.
Final Examination	30%)	
Total	100%	