

**UNIVERSITY OF TEXAS AT EL PASO
COLLEGE OF BUSINESS ADMINISTRATION
DEPARTMENT OF ECONOMICS AND FINANCE**

**FIN 4315 PORTFOLIO ANALYSIS (CRN 16120)
Fall 2018 SYLLABUS**

General Information

Professor: Dr. Faith Xie, Professor of Finance
JP Morgan Chase Bank Professorship in Business Administration

Office: COBA 237
Phone: 915.747.7788
e-mail: fxie@utep.edu
Class Meetings: MW 9:00 – 10:20 (BUSN 301)
Office Hours: MW 10:30 -12:00 or by appointment

E-Mail Policy of the Department

It is the policy of the finance department that all e-mails sent to professors or teaching assistants be of a professional nature and format. On the subject line of the email you must identify the class, section, time, and location where the class meets. A formal greeting and salutation are required. Proper grammar, spelling, and format are required. You must clearly state the problem or question that will be addressed. The professors or teaching assistants reserve the right to not reply to any e-mail that does not meet these requirements and is not of a professional nature.

Course Materials

Textbook: Modern Portfolio Theory and Investment Analysis, 9th Edition,
Edwin J. Elton, Martin J. Gruber, Stephen J. Brown and William N. Goetzmann, Wiley, 2014.
Calculator.

Catalog Description

The course introduces students to basics of modern portfolio analysis techniques, including finding efficient portfolio mean-variance analysis, calculating efficient frontiers. The course also introduces the calculation of correlation structure of security returns and the process to simplify the portfolio selection process with single or multiple models. The course further examines the models of equilibrium in capital markets, international diversification, and other portfolio selection models, such as safety-first, and ends with discussion of portfolio management. The course demonstrates and explores the various implications of portfolio analysis using computer. Prerequisite: FIN 3315 or departmental approval.

Objective

The objective of this course is to provide an advanced undergraduate level study of portfolio analysis. The course is integrated with a finance lab to give students practical knowledge of the portfolio formation process and portfolio management. Students will demonstrate an understanding of the techniques, practices and literature in portfolio analysis in all these areas. For instance, students will demonstrate knowledge of mean-variance portfolio optimization in the classic sense. Students will demonstrate knowledge of the uses of single- and multi- index models that simplify the classic portfolio optimization problem.

Grade Components

4 Exams (22.5% each)	90%
10 Homework assignments	10%
Total	100%

Grading is on a straight scale 90 – A, 80 – B, 70 – C, ...

Exams: **All exams are mandatory.** The exam dates will be announced in class. Make-up exam will be given to students who have “excused absences due to university-recognized activities”. These students are required to send written notice to the instructor about such activities ahead of time. See student handbook for a description of these activities. Requests for an excuse must be made in writing and, except for extreme emergencies, prior to the test.

The exams will be mostly multiple-choice questions, with some problems. Calculator and scantron are required to take the exam. Use of electronic devices such as laptop, smartphones, and tablets are **prohibited** during exam.

While on the average the weight per exam is 22.5%, the highest exam grade will weight 32.5% and the lowest exam grade will weigh 12.5%, with the remaining exam weighing 22.5% each, in the calculation of the final course grade.

Homework: A series of homework problems will be assigned for each chapter. Due dates and the problems will be announced in class. Homework assignments must be completed by hand calculation, not with the aid of computer software such as Excel. No late homework assignments will be accepted under ANY circumstance.

Withdrawal Policy

A student may officially withdraw from this class with an automatic W at any time BEFORE October 26th 2018. Automatic withdrawals will NOT be made by the instructor. THIS IS UNIVERSITY POLICY. To be withdrawn from the class, students must take the appropriate actions on or before the university deadlines.

Student accommodation

If you have a disability and need classroom accommodations, please contact The Center for Accommodations and Support Services (CASS) at 747-5148, or by email to cass@utep.edu, or

visit their office located in UTEP Union East, Room 106. For additional information, please visit the CASS website at www.sa.utep.edu/cass.

Academic Integrity

The University of Texas at El Paso prides itself on its standards of academic excellence. In all matters of intellectual pursuit, UTEP faculty and students must strive to achieve excellence based on the quality of work produced by the individual. In the classroom and in all other academic activities, students are expected to uphold the highest standards of academic integrity. Any form of scholastic dishonesty is an affront to the pursuit of knowledge and jeopardizes the quality of the degree awarded to all graduates of UTEP. It is imperative, therefore, that the members of this academic community understand the regulations pertaining to academic integrity and that all faculty insist on adherence to these standards.

Any student who commits an act of scholastic dishonesty is subject to discipline. Scholastic dishonesty includes, but is not limited to, cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts. Proven violations of the detailed regulations, as printed in the Handbook of Operating Procedures (HOP), and available in the Office of the Dean of Students, and the homepage of The Dean of Students (DOS) at www.utep.edu, may result in sanctions ranging from disciplinary probation, to failing grade on the work in question, to a failing grade in the course, to suspension or dismissal, among others.

Campus Carry

Persons who hold a Concealed Handgun License can lawfully carry their gun into a UTEP classroom as long as it remains concealed. Open carry remains prohibited on campus. Should you feel someone is intentionally displaying a gun (or any other weapon for that matter), do not hesitate to call Campus Police (X 5611) or 9-1-1. For more information on campus carry, see <http://sa.utep.edu/campuscarry/>; for more information on overall campus safety, see <http://admin.utep.edu/emergency>.

Tentative Schedule

Date	Topic	Comment
27-Aug	Intro and Overview	
29-Aug	Ch 4	Hw 1 Ch 4
3-Sep	Labor Day	
5-Sep	Ch 4	
10-Sep	Ch 4	
12-Sep	Ch 5	Hw 2 Ch 5
17-Sep	Ch 5	
19-Sep	Ch 5	
24-Sep	Exam 1 (Ch4,5)	
26-Sep	Ch 7	Hw 3 Ch 7
1-Oct	Ch 7	
3-Oct	Ch 7	
8-Oct	Ch 8	Hw 4 Ch8
10-Oct	Ch 8	
15-Oct	Ch 9	Hw 5 Ch 9
17-Oct	Ch 9	
22-Oct	Exam 2 (Ch7,8,9)	
24-Oct	Ch 10	
29-Oct	Ch 11	Hw 6 Ch 11
31-Oct	Ch 11	
5-Nov	Ch 18	Hw 7 Ch 18
7-Nov	Ch 18	
12-Nov	Exam 3 (Ch10,11,18)	
14-Nov	Ch 22	Hw 8 Ch 22
19-Nov	Ch 22	
21-Nov	Ch 22	
26-Nov	Ch 21	Hw 9 Ch 21
28-Nov	Ch 21	
3-Dec	Ch 12	Hw 10 Ch12
5-Dec	Exam 4 (Ch22,21,12)	
Final	10-14 Dec	