

WESTERN KENTUCKY UNIVERSITY
GORDON FORD COLLEGE OF BUSINESS

FIN 449/449G - PRACTICUM IN PORTFOLIO MANAGEMENT

Dr. Indudeep S. Chhachhi

Spring, 2007

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Course Web Page: <http://www.wku.edu/~indudeep.chhachhi/hmtva.htm>

Office & Office Hours: 331 Grise Hall, 745-2928
MTF 8:15 - 10:15 and by appointment

RECOMMENDED

Charles J. Corrado, and Bradford D. Jordan, Fundamentals of Investments (Irwin McGraw-Hill, 3rd edition, 2005).

The Wall Street Journal, various Business periodicals. Additional readings to be assigned during the semester.

COURSE OBJECTIVES

This course is made possible by the TVA's Investment Challenge program. Through this program Gordon Ford College of Business has been awarded the management of a \$684,996 (as of 12/31/06) equity portfolio. The purpose of this course is to provide practical hands-on experience in security analysis and selection as well as portfolio construction, management, and maintenance. The course is designed to assist students in implementing investments and portfolio management theory in practice. Students will make all material decisions regarding the management of the portfolio.

PREREQUISITES

Successful completion of FIN 330 and FIN 332, and instructor's approval.

ATTENDANCE

Attendance in all scheduled class functions is mandatory. On a number of occasions, the class may be required to meet outside of the regularly scheduled time. Also, team meetings and other activities may be conducted outside of scheduled class meetings. A major component of the course is the group dynamics and discussion involved in managing a portfolio in team setting. Any absences detract from this experience, and will negatively impact your course participation grade.

DROPPING THE COURSE

The last day to drop the course with a "W" is Friday, March 9. No withdrawal cards will be signed after this deadline. **NO DROPS OR CHANGES IN CLASS STATUS WILL BE ALLOWED AFTER MARCH 9, EXCEPT UNDER THE MOST EXTRAORDINARY CIRCUMSTANCES AND MUST BE APPROVED BY THE DEAN OF THE COLLEGE OF BUSINESS ADMINISTRATION.**

PRESENTATIONS

Each student is expected to prepare and present various stock/sector reports. These presentations are at the heart of the process and should be "professional" in nature and include all the information that is necessary for intelligent and comprehensive discussion and decision-making. Please e-mail (or post on the bulletin board) the company/sector that you will be presenting at least 2 business days prior to the presentation. That will allow the rest of the class to research the company/sector and actively participate with insightful remarks and questions.

CLASS PARTICIPATION

Each student is expected to participate in all team activities, class activities, and to regularly contribute to all class discussions and decisions. In addition, positive contribution to team efforts in preparation and presentation of reports is required. I will be making a daily assessment of each student's contribution to class discussion and activities.

TEAM ASSIGNMENTS

Throughout the semester, students will be assigned to teams to conduct various types of analysis, prepare various reports, and make presentations to the class and other constituents, to facilitate sound decision-making in the management of the portfolio. All team members are expected to be ACTIVE PARTICIPANTS. Each student will be given an opportunity to evaluate the contribution of each team member at the end of the semester. This evaluation will be considered as part of the participation grade for both the evaluator and the evaluatee.

WEB SITES AND CHAT SESSIONS

This class lends itself very well to and utilizes a number of electronic references and communication methods to enhance information access and decision making. Please make a note of the following addresses and their intended use:

1. <http://www.wku.edu/~indudeep.chhachhi/hmtva.htm>
This is the primary web site for the class. It provides links to weekly

portfolio updates, syllabus, useful web links for research and a sample presentation from the previous semester. This page is password protected: User Name: tva, Password: tvatva. Some of the material on this web site requires you to have Adobe Acrobat Reader. A link is provided on the site for you to download the latest version of Acrobat Reader.

2. <http://atech.wku.edu/webuser/chhachhi/FIN449/wwwboard/> this is the bulletin board that I have set up for better exchange of ideas on the strengths and weaknesses of stocks presented in class. Use it liberally. As indicated before, our decisions will be much better if there is a give and take on what is being presented by different individuals.
3. <http://atech.wku.edu/webuser/chhachhi/chat> this is the address of our chat room. At present I don't have any intention of using it but if the group would like, we COULD hold some of our regularly scheduled classes in a chat room setting.

GRADING

Your grade will be determined according to the following weighting scheme:

Oral Presentations	-	60%
Class Participation (including bulletin board postings)	-	40%

Grading will be based on the following scale:

>90%	-	A
80 - 90%	-	B
70 - 80%	-	C
60 - 70%	-	D
< 60%	-	F

ACADEMIC OFFENSES

Academic Offenses-- including academic dishonesty, plagiarism, cheating and others will be taken very seriously and dealt with consistent with University policies.

**PRACTICUM IN PORTFOLIO MANAGEMENT
TVA INVESTMENT CHALLENGE**

LEAD ANALYST

Job Requirements:

Responsible for operations of 3-4 analyst teams
Mark portfolio to market weekly
Reconcile brokerage statements
Conduct portfolio performance analysis
Compile reports for internal and external constituents
Coordinate efforts of analyst teams in preparing reports
Establish and enforce deadlines for analyst teams
Participate in the evaluation of analyst teams

Application Deadline: In class on January 23, 2007.

INFORMATION TO BE SENT TO ME VIA E-MAIL (LATEST BY 11:00 A.M., JANUARY 25, 2007)

1. Name (underline the name by which you like to be addressed).
2. Brief summary of your work experience over the last 1-2 years. Emphasize finance-related assignments, if any.
3. Rate your spreadsheet skills on a scale of 1-5 (1: don't know anything; 5: very conversant). Explain if necessary.
4. What are your expectations/fears from this class? Be candid.
5. Your preferences for group partners (in decreasing order of desirability). Write down at least 2-3 names. Ideally, group partners should have complementary skills. Also, it might be helpful if you can at least stand each other's company!!!