

California Polytechnic State University
Orfalea College of Business
Business 461 and Bus-462
Student Managed Portfolio Project (SMPP), Spring 2014
Instructor: Dr. Cyrus Ramezani (<http://cyrus.cob.calpoly.edu>)
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COURSE DESCRIPTION: Thank you for your interest in the Student Managed Portfolio Project (SMPP). This student-managed investment fund consists of roughly \$0.5 million dollar and is among the largest student-managed portfolios in CSU.

The fund's objective is to outperform the S&P 500 by 1% per year. The SMPP team conducts the ongoing operations of the fund and provides a unique opportunity for students to gain practical experience in investment analysis and portfolio management. The SMPP offers students the opportunity to invest real money, which tends to focus the mind more than simulated investments can ever do. The old adage "sage on the stage and the guide on the side" captures the difference between the traditional finance courses and the SMPP. This course embodies the essence of Cal Poly's commitment to "Learn by Doing".

PLEASE NOTE: This course Requires a Year Long Commitment! The only prerequisite for the course is Senior Standing. I would give priority to those who have taken the finance required courses and have a passion for the financial markets and investing!

The Challenge Ahead: The aim of this course is to prepare students for careers in finance industry, including corporate finance, insurance companies, mutual funds, pension funds, and hedge funds. This academic year, students will be engaged in the following learning objectives:

1. Update and maintain the SMPP fund
2. Evaluate fund prospectus and investment strategy
3. Evaluate past performance
4. Transition the portfolio when necessary
5. Create a web page for the SMPP
6. Create annual and quarterly reports for SMPP
7. Create materials that would enable us to get better jobs for SMPP students
8. Aggressively pursue other sources to increase the investment capital
9. Enter national competitions to enhance the visibility of our graduates
10. Others related tasks

Course Materials:

Text books: Several books related to management of investment funds will be made available to the class.

Financial Press: Reading the Wall Street Journal, Bloomberg news, and other financial press on daily basis will be mandatory!

Course Mechanics:

Students will be assigned a stock and sector to cover. The Students ' task will be to issue recommendations for the securities that comprise the SMPP or should be added to the portfolio, by

consulting analysts' reports and the company financial statements. Students will also take part on the following activities:

The Trade Execution: Students will be given the responsibility to determine the best time to execute the trades the class has agreed upon.

The Public Relations: Students will be given the responsibility for drafting quarterly and annual reports, working with the client to amend the prospectus, and creating the materials for the course web page.

The Information Technology: Students will have the responsibility for mastering the use of the Morningstar Direct and the WRDS, creating data bases, and maintaining the running ticker and the electronic panel that shows the performance of the SMPP fund in real time.

Students will also be assigned to industries and individual securities to follow and to make buy/sell recommendations. Students will be able to obtain Morningstar Direct and CFA certification. Additionally, students are encouraged to pursue finance certifications such as the CFA, NASDAQ's Series 7 and Series 63.

Course Grade:

Course grade will be determined as follows:

Class Participation (passion): 30% of the grade

Taking initiatives (action): 10%

Individual Projects (Analyst Report): 25%

Contribution to the Teams: 25%

End of the Year Assessment Quiz: 10% of grade