

## **Fin 199.4 Special Topics in Finance: Wealth Management**

### **A. Course Description**

Wealth Management introduces the financial advisory concepts, principles, and processes utilized by Relationship Managers (RMs) in today's large Private Banking institutions. Emphasis is placed upon the basic relationship management skills as well as the fundamental skills needed in financial advisory such as investment math, basic economics, risk management and basic financial statement construction (e.g., balance sheet, income statement and cash flow statement construction and analysis). The ultimate goal is to allow students to effectively give financial advice with the end goal of increasing the wealth within pre-determined risk parameters.

### **B. Course Objectives**

This course aims to provide a basic understanding of the theories, concepts and practice used in financial advisory.

### **C. Course Outline and Timeframe**

#### **ROLE OF THE RELATIONSHIP MANAGER** Part 1

Definition

Process

-building relationships

-the customer segments

-establishing multi-dimensional relationships

Role of the RM

RM's Scorecard

***Exam #1***

#### **ACCOUNT MANAGEMENT** Part 2

Know Your Customer

Know Your Investment Products

Wealth Management Process

Tools

***Exam #2***

#### **WEALTH MANAGEMENT** Part 3

Definition/History/Current Trends

Financial Advisory

Investor Profile

Personal Financial Statements

Economic Fundamentals

***Exam #3***

**WEALTH MANAGEMENT** Part 4  
Risk and Return  
Time Value of Money  
Financial Markets  
Asset Allocation  
*Exam #4*

**WEALTH MANAGEMENT** Part 5  
*Graded Role Playing Case Studies with Presentations*

## **D. Main Reference - Materials to be provided**

### **D1. Other References:**

**Global Private Banking & Wealth Management**  
Maude, David; Wiley & Sons; June 2006

**Wealth Management: Private Banking, Investment  
Decisions and Structured Financial Products**  
Chorafas, Dimitris N; Butterworth-Heinemann; Nov. 2005

**Behavioral Finance and Wealth Management: How to Build  
Optimal Portfolios that Account for Investor Biases**  
Pompian, Michael M.; June 2006

**The Handbook of Personal Wealth Management**  
Reuvid, Jonathan; 4<sup>th</sup> edition; Kogan Page Ltd.; May 2008

**Private Wealth Management The Complete Reference for the  
Personal Financial Planner**  
Hallman, G. Victor; Rosenbloom, Jerry S.; May 2008

## **E. Supplementary Readings**

1. Internet sites on Financial Markets
2. Basic Economics texts books

## **F. Course Requirements**

50%*	Four exams, 100 points each*
30%	Graded Role Playing Case Studies with Presentations
10%	Quizzes and exercises
<u>10%</u>	Class Participation (project, assignments, etc.)
100%	Final Score

\*All four exams are scheduled outside of class hours.

- Results of **each** exam will be curved using the numeric values of the letter grades. In-between numeric grades (i.e. 0.5, 1.5, 2.25, 2.75, 3.25, 3.75 up to 4.25) **may be given** in addition to the regular grades to all or any component of the exam.

- All exam papers will be returned to the students. Students are encouraged to review their papers before returning them to the instructor. Papers are reviewed and **returned the same day**. After the papers are returned to the instructor, no questions or corrections will be entertained anymore.
- Students should pass at **least two out of four** departmental examinations (with a minimum grade of 1.0 for **each** departmental exam) to be **included in the final computations of grade**. Otherwise, the student gets an “F” as final grade.
- Raw scores of quizzes will be added. Computed % (over the highest) will be curved at the end of the semester using the numeric values of the letter grades. Curve will start at 50%.

### G. Final Grading System



Final Score	Letter Grade	QPI
3.76 - 4.00	A	4.00
3.31 - 3.75	B+	3.50
2.81 - 3.30	B	3.00
2.31 - 2.80	C+	2.50
1.81 - 2.30	C	2.00
1.00 - 1.80	D	1.00
Below 1	F	0.00

### H. Class Policies

- Observe proper dress code when inside the classroom.
- No eating inside the class.
- Students who come in 15 minutes after the second bell are considered absent.
- Maximum and 3 absences for Saturday class are allowed, but are taken at your own risks.
- Always bring your calculators to class. Cell phones are not calculators.
- Laptops which allow computations via spreadsheets will result in faster computations
- Cell phones should be turned off while in class. Penalties will be imposed if your cell phone rings during the class.
- Other class policies will be announced by the instructor.

### I. Consultation Hours

As required – Saturdays – PM and or as scheduled