



E212 B SPR25 Equity Investment Management

Course Summary

Programme Overview

"The ideas of economists and political philosophers, both when they are right and when they are wrong are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually slaves of some defunct economist. Madmen in authority, who hear voices in the air, are distilling their frenzy for some academic scribbler of a few years back...But soon or late, it is ideas, not vested interests, which are dangerous for good or evil." J.M. Keynes, The General Theory of employment, Interest and Money.

Programme Objectives

The objective of this Programme is to survey the most important theoretical concepts in the field of investment management, to examine whether these theories are supported by empirical evidence, and to identify the practical implications for investment professionals. The field of investment has been characterized by a high rate of innovation, in both the academic and practitioner communities. Often, innovations have been built on investment theory that, once understood, also makes good sense. The Programme will emphasize topics where research provides an important message for professional management of the investment function, and how this can be applied.

Credit: 11

Learning Outcomes

On successful completion of this course, you will be able to:

You will have gained the knowledge of modern portfolio theory and its applications in the investment process. You will have covered topics such as asset allocation, portfolio optimization, and risk measurement, factor models of returns, active-passive management, long-short investing, performance measurement, and style analysis and so on. You will have had the opportunity to hear the views of leading practitioners from the industry, ideas proposed in behavioural finance and learn about recent trends in alternative investments, especially hedge funds. By the end of the term, you can expect to have a good understanding of the recent developments and how they are having an impact on all aspects of investment management.

Case Studies

There will be several cases to cement your understanding of the concepts and therefore you must make every effort to prepare all the cases. Each case illustrates a real-life problem faced by players in the fund management industry like the pension funds, endowments, investment advisors, fund managers, individual investors etc.

You will need about two hours to read each case and think about the questions relating to the case. This part of the class is going to be highly participative in nature where you will be called upon to step into the shoes of the person described in the case and put forward your recommendations. It is therefore extremely important that you have read the case and reflected on the issues raised in the case.

Course Structure

During Spring 2025, E212B is offered in format a Block week with 2 lectures every day.

The course in Spring term is offered in the Block Week format, which is not conducive to running of the Simulation exercise.

The Spring term is taught in 10 sessions, 2 sessions per day, each one building on topics covered earlier in the course. Because of the building-block structure of the material, it is important that you attend all the sessions.

Pre-work must be completed before you attend the session, and in some sessions, we may start with a graded quiz to assess your understanding of the reading material. There would not be an opportunity to retake the quiz if you miss the session.

Attendance

Standard Attendance Policy

References:

- 5.1 Attendance, [Academic Regulations](#)
- Student Visa Guidelines

Students are expected to attend and engage in all sessions at campus. Attendance and punctuality will be closely monitored by the electronic attendance monitoring system (SEAtS) and may also be monitored manually. Students must register their own attendance themselves by using their student ID card to touch-in on entry to the session and remain in the lecture theatre for the full session including returning to the lecture theatre after any breaks or breakout sessions, to be considered 'in attendance'. Students are reminded that any misuse or interference of the attendance systems will be treated extremely seriously. Please refer to 5.1 of the Academic Regulations and the Student Disciplinary Policy for more information.

If you are unable to attend your class in a particular week, please email Ee Hwee Lau on email elau@london.edu. If you do miss a class, please do read the handouts available to download on Canvas before you come for the next class.

Assessment

Assessment type	Weightings	Group/ Individual	Release Date & Time	Deadline/ Time & Date
Group Case Assignment 1: Harvard Management Company (2010)	15%	Group	During the course	Tue 11th February 2025 at 12:00 pm GMT
Group Case Assignment 2: Numeric Investors	15%	Group	During the course	Wed 12th February 2025 at 12:00 pm GMT
Group Case Assignment 3: Unilever Superannuation vs. Merrill Lynch	15%	Group	During the course	Fri 14 February 2025 at 08:00 am GMT
Final Exam (online)	55%	Individual	Saturday 15th February 2025 12:00 pm GMT	Saturday 15th February 2025 18:00 GMT

Note:

1. Any work that is required to be submitted to Canvas, must be submitted **before the deadline** specified above. For example, if the deadline is 17:00, the submission must be completed by 16:59:59 at the latest.
2. For coursework, Students should start uploading their submission at least one hour before the deadline to avoid any difficulties or last-minute issues. If students are unable to upload their work, they must email a copy to the course administrator **before the deadline**.
3. For exams, students must submit all work before the final 15 minutes of the exam. If students are unable to upload their work, they must email a copy of their exams to exams@london.edu **before the deadline**.

4. Any work that is submitted after the deadline will be penalised as per the rules specified in the sections below, where applicable, which relate to **Late Submissions Penalty, Exam Information** (see further down on this page) and the [Academic Regulations](#).

In order to successfully complete a Core or Elective Course, students will be required to achieve the following minimum requirements:

- i. A minimum of 50% overall **and**
- ii. A minimum of 50% across the weighted average of individual assessment component/s excluding class participation