

Asset Management Practicum

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Northwestern | Kellogg

What is AMP?

- Course designed to merge the theoretical and the practical
- Provides students practical experience in managing a real investment portfolio
- Students manage portion of Northwestern's endowment
 - Five portfolios across four teams
 - Total ~ \$15.3 million
- Advocates value investing strategy based on fundamental analysis, with quantitative strategies as an overlay.

What is AMP?

- Students have two roles in managing assets
 - Equity Analysts
 - Research individual stocks
 - Prepare stock pitches for investment committee (and class)
 - Portfolio Managers
 - Determine portfolio positions and trading strategies (buy, sell, quantities, timing)
 - Determine asset allocation (equities, ETFs, cash)
 - Monitor adherence to investment policy statement
 - Restrictions on beta, % holdings, tracking error

What is AMP?

- Opportunity to learn several analytical tools and data bases, including:
 - Bloomberg
 - BARRA
 - Interactive Brokers (trading software)
 - Thomson One
 - Cap IQ
 - FACTSET

Structure of AMP

- Two to three quarter sequence

- Spring — FINC 456 — 1 credit
- Fall — FINC 457 — 1 credit
- Winter — FINC 458 — 1 credit

Structure of AMP

- Meet Wednesday evenings, EV campus, 6:30 - 9:30
- 2 - 4 guest lectures by practitioners each quarter

Examples include:

Louis Simpson (x58):	SQ Advisors
Stephen F. Mandel:	Lone Pine Capital
Jeffrey Ubben ('87) :	Inclusive Capital Partners; ValueAct Capital
David Kabiller ('87):	AQR Capital
Joel Tillinghast ('83):	Fidelity Investments
Steven Einhorn:	Omega Advisors
Jennifer Martin ('99):	T. Rowe Price
Myron Scholes:	Nobel Prize in Economics

Structure of AMP

- Student presentations constitute a major component of course
 - Portfolio performance review weekly
 - Over two quarter sequence students must prepare at least
 - One stock pitch
 - One research report or a second stock pitch
 - Feedback from both professor, an industry professional, and classmates

Pre-reqs

- Prerequisites for AMP
 - FINC 431 (Finance II) or FINC 440 (Accelerated Corporate Finance)
 - Prior or consecutive work experience or courses in financial statement analysis and preparation of pro forma financial statements.
 - Concurrent or prior enrollment in one of FINC 442, 444, 448, 477 or ACCT 451 with the first term of AMP counts towards this requirement

Co-reqs

- First term (or prior) one of
 - FINC 442 Financial Decisions
 - FINC 444 Value Investing
 - FINC 448 M&As, LBOs and Corporate Restructuring
 - FINC 477 Global Entrepreneurial Finance
 - ACCT 451 Financial Reporting and Analysis I
- Plus (before graduation)
- One from chosen from
 - FINC 465 Derivative Markets
 - FINC 450 Capital Markets

AMP Advisory Council

- Practitioners and alumni
- Annual meetings
- Participate in stock pitches, research papers
- Mentoring

AMP Advisory Council

- Tadd Chessen, Managing Director, Marketable Investments, Northwestern University Investment Office.
- Scott Fearon ('83), President and Founder, Crown Capital Management.
- Stuart Goode (NU '65, Kellogg '66), formerly partner, Warburg Pincus.
- Malcolm Jones ('82)
- Michael Lowenstein ('84), Co-Founder and Co-President, Kensico Capital Management
- Jennifer O'Hara Martin ('99), Portfolio Specialist and Vice President, T. Rowe Price
- Avi Nash ('81), Chair, Motivation for Excellence
- Kimberly Querrey, President & CEO of Gulf Shore Private Capital, LLC
- Jeffrey Ubben ('87), Founder, Inclusive Capital Partners; Founder and former Chief Executive Officer, ValueAct Capital
- Robin Yoshimura ('94), Managing Director and Wealth Manager, First Republic Investment Management

Applications

- Admit applicants every quarter except summer:
- Through Experiential Learning site
- Address questions to Prof. Braun, Garino, or Korajczyk
- Current members of AMP and Investment Management Club are good sources of information about course.

More on AMP

- More information can be found at http://www.kellogg.northwestern.edu/asset_management
 - **Firms that have hired AMP students**
 - **Past and future speakers and events**
 - **Application details**