

FPAM CE WORKSHOP OUTLINE

Title: Equity Portfolio Management – An Application Approach
Date: 16 May 2020 / Saturday [Full day]
Venue: Rafflesia 1, Sime Darby Convention Centre, Kuala Lumpur
CPE/CE/CPD: 10 CPE Points / 10 CE Points / 8 CPD Points
Facilitators: Pauline Yong

Industry Competency Framework

Level: 3 (Skill)
Competency Type: Functional – Technical Skills
Competency Title: Client Advisory (Investment)

Learning Outcome

Participants will be able to:

1. Discuss the relation between economic activity and investor expectations
2. Explain the Black-Litterman approach and compare it with the Modern Portfolio Theory
3. Describe how client needs and preference regarding investment risks can be incorporated into asset allocation and demonstrate the use of excel worksheet to evaluate the robustness of an asset allocation.
4. Describe the process of equity portfolio management and apply portfolio management concepts and techniques to cater for different clients' profiles.
5. Explaining the components of execution costs, including explicit and implicit cost.
6. Discuss a fiduciary's responsibilities in monitoring an investment portfolio.
7. Discuss the monitoring of investor circumstances, market/ economic conditions, and portfolio holdings and explain the efforts that changes in each of these areas can have on the investor's portfolio.
8. Describe the use of investment factors in constructing and analysing an asset allocation.
9. Discuss the benefits and costs of rebalancing a portfolio to the investor's strategic asset allocation.
10. Recommend and justify an asset allocation based on the global market portfolio.

Learning Outline

Time	Details
8:30 - 9:00 am	Registration
9:00 - 9:30 am	Macro-Economic and Market Participants In The Financial Markets <ul style="list-style-type: none"> • An overview in the various financial markets, by geographical locations and by types of the financial markets. • The market participants such as the institutional and the retail participants and how they affect the financial markets. • The challenges facing in the current financial markets. • Economic indicators to identify the sentiments of the markets.

Time	Details
9:30 – 10:30 am	<p>Black-Litterman Approach</p> <ul style="list-style-type: none"> This section touches on the intuition of the Black-Litterman model, consolidate insights contained in the various works on the Black-Litterman model, and compare the model with Modern Portfolio Theory. Unlike the Markowitz paradigm, in which return is maximized for a given level of risk. This section we review how the Black-Litterman model uses a Bayesian approach to combine the subjective views of an investor regarding the expected returns of one or more assets with the market equilibrium vector of expected returns leads to intuitive portfolios with sensible portfolio weights.
10:30 - 10:45 am	<p>Coffee break</p>
10.45 – 11.30am	<p>Matching The Client’s Risk Profile to His / Her Portfolio</p> <ul style="list-style-type: none"> This session explores the topic of investor’s risk profile. Participants will go through an exercise to determine the right equity portfolio for themselves.
11.30 – 1.00 pm	<p>Portfolio Execution, Rebalancing and Review</p> <p>A. Portfolio Execution</p> <ul style="list-style-type: none"> Construct an equity portfolio using excel worksheet, using Bursa Malaysia equity market as a reference; Explaining the components of execution costs, including explicit and implicit cost. Describe the suitable uses of major trading tactics, evaluate their relative costs, advantages, and weaknesses, and recommend a trading tactic when given a description of the investor’s motivation to trade, the size of the trade, and key market characteristics.
1:00 - 2:00 pm	<p>Lunch Break</p>
2.00 - 3.30 pm	<p>Portfolio Execution, Rebalancing and Review</p> <p>B. Portfolio Rebalancing and Review</p> <ul style="list-style-type: none"> Discuss the monitoring of investor circumstances, market/economic conditions, and portfolio holdings and explain the effects that changes in each of these areas can have on the investor’s portfolio; Recommend and justify revisions to an investor’s investment policy statement and strategic asset allocation, given a change in investor circumstances; Discuss the benefits and costs of rebalancing a portfolio to the investor’s strategic asset allocation; Contrast calendar rebalancing to percentage-of-portfolio rebalancing; Compare the benefits of rebalancing an asset class to its target portfolio weight versus rebalancing the asset class to stay within its allowed range.

Time	Details
3.30 - 3.45 pm	Coffee Break
3.45 – 4.30 pm	<p>Evaluating Portfolio Performance</p> <p>Performance evaluation is a crucial process for individual and institutional investors, investment management companies, and fund managers.</p> <ul style="list-style-type: none"> • Describe a performance evaluation process; • Describe measures of return, including holding-period returns and time weighted rates of return; • Compare use of arithmetic and geometric mean rates of returns in performance evaluation; • Describe measures of risk, including standard deviation and downside deviation; • Describe reward-to-risk ratios, including the Sharpe and Treynor ratios; • Describe uses of benchmarks and explain the selection of a benchmark; • Explain the concept of alpha, beta.
4.30 – 5.00 pm	<p>Case Studies on Funds Performance and Reviews</p> <ul style="list-style-type: none"> • Critically discuss and review the performance of some unit trust funds provided in the class.
5.00 – 5.30 pm	<p>Q & A</p> <ul style="list-style-type: none"> • Wrap Up • Debrief

Profile of Pauline Yong, CFP

Pauline Yong Tung Fong has 20 years of experience in the equity market and 10 years of financial planning experience, with a specialty in investment planning. She holds the following professional qualifications: a Financial Planning Representative (a CMSRL license holder), a Financial Advisor Representative (FAR), and a Certified Financial Technician (CFTe). As a speaker, Pauline has been conducting regular financial planning and investment classes for corporates, investment banks, colleges, FPAM and other non-profit organisations.

Her passion is to promote investment education by contributing regular articles to various media and magazines. To date, Pauline has published 5 investment and financial planning books in Malaysia and Singapore.

Pauline graduated with Bachelor’s Degree in Business Administration (Finance) from York University and Master in Business Administration (Finance) from University of Leicester. She later continued her education by earning the CFP and the CFTe which are professional designations that are well recognised globally.

CE WORKSHOP REGISTRATION FORM / INVOICE

Title of Workshop:	Equity Portfolio Management – An Application Approach		
Facilitators:	Pauline Yong		
Date:	16 May 2020 / Saturday [full day]		
Venue:	Rafflesia 1, Sime Darby Convention Centre, Kuala Lumpur		
Time:	9.00 am – 5.30 pm (<i>Registration by 8.30am</i>)		
Fees:	Early Bird Rate: RM285 (FPAM Member), RM405 (Non-members) Payment by 8th May 2020. Normal Rate : RM 325 (FPAM Member), RM 455 (Non-members) <i>The fee includes workshop materials, lunch and refreshments.</i>		
Points	FPAM CE Points	SIDC CPE Points	FiMM CPD Points
	10	10	8
	<i>FPAM CE Points recognized by BNM for FAR continuing education requirement.</i>		
Instructions:	Please fill-up this form and fax to +603 7954 9400 or e-mail to events@fpam.org.my by 8th May 2020 to enjoy early bird rate.		
Payment/Invoice:	By cheque: Payable to ‘Financial Planning Association of Malaysia’. Address: Unit 305, Block A, Phileo Damansara I, Jalan 16/11, off Jalan Damansara, 46350 Petaling Jaya, Selangor. By credit card: We will process and charge your credit card upon receipt of this form. This page serves as our official invoice. No further invoice will be issued.		
Enquiries:	Send e-mail to events@fpam.org.my or call Bey at 03-7954 9500.		
Terms:	<ul style="list-style-type: none"> Registration is on a first-come-first-served basis. Confirmation is subject to payment before the workshop. Walk-in participant/s will be admitted on the basis of space availability. FPAM reserves the right to amend the program, speaker, date, venue, etc, without prior notice. 		

YES, PLEASE REGISTER ME!

Name:		Dietary:	Vegetarian / Non-vegetarian
IC No.:		FPAM No. :	
Company Name & Address:			
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SC Licence / ERP No / FiMM No.:		Mobile:	
Emergency Contact Person:		Telephone:	

Mode of Payment

By cash, please bank into Alliance Bank A/C 1210 9001 0005 395 and email or fax in bank-in slip	
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Early Bird – By 8th May 2020 | Closing Date – 13th May 2020

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