



O.P. Jindal Global University
A Private University Promoting Public Service



JINDAL SCHOOL OF
BANKING & FINANCE
India's First Global Finance School

COURSE OUTLINE
2020-2021 Academic Year

Private Wealth Management 2020 Fall Semester

Instructor Information

Pulkit Taluja, Lecturer
Jindal School of Banking & Finance
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Credits - 4 credits

Office Hours – Please feel free to contact me after the end of class or as per appointments by email

Course Description

This course focuses on the process of wealth management of private clients. It discusses solutions to help affluent individuals and their families manage their wealth. This course is designed to provide students a hands-on experience about the practical aspects of wealth management along with an understanding of theoretical aspects. The course also incorporates regular interaction with industry professionals to elevate the learning experience from classroom to the real world. The students will gain a practitioner's touch by actively following markets and learn about the basic investment principles of major investment styles. By the end of the course, the students will have built a portfolio management notion by thinking on real world problems and have gained the knowledge and skills to develop a comprehensive wealth management plan for a client.

The course outline and material are particularly aligned with the CFA Program and they cover various topics in accordance with the CFA Institute Candidate Body of Knowledge both in terms of relevance and rigor. The course covers broadly the topics such as Introduction to Wealth Management, Understanding the Wealth management Process, Client Profiling and Lifestyle Guide to Investing, Financial and Investment Planning, Investment Products, Asset Allocation, Retirement, Tax & Insurance Planning, Portfolio Management & Performance Measurement, and Evolving Technologies in Wealth Management.

Pre-Requisites

Basic familiarity with financial markets. Familiarity with basic concepts like simple and compound interest etc.

Learning Objectives

Upon successful completion of this course, you should be able to:

- Understand the nature of clients and professionals in the wealth management industry.
- Understand the wealth management process and how it is different from money management for institutions. Apply the steps in wealth management process to meet a person's or family's life objectives.
- Understand and communicate the ethical, fiduciary and professional standards that govern a wealth management professional.
- Do client profiling and prepare a client's life balance sheet & personal financial statements.



- Develop an investment policy statement for a client.
- Apply modern portfolio theory to various financial assets, understand the types of investment risks, measure risk adjusted returns and portfolio performance.
- Understand and communicate the characteristics of various investment instruments including equity, fixed-income, real estate, and other alternative investments. Be able to do valuation of these instruments.
- Understand and apply various asset allocation strategies. Be able to use investment policy statement and personal factors in asset allocation.
- Understand income tax planning, retirement planning, insurance planning and estate planning as part of wealth management process and develop suitable strategies for a client.
- Develop a comprehensive wealth management plan based on the client's needs and pitch it to the client.

Course Readings:

The suggested textbooks for the course is

- Hallman, G. Victor and Rosenbloom, Jerry S., Private Wealth Management. New York: McGraw Hill. Latest Edition
- Evensky, Stephen M Harold, Thomas R Horan, Robinson, The New Wealth Management: The Financial Advisor's Guide to Managing and Investing Client Assets, CFA Institute Investment Series

Other readings

- Michael M Pomian, Behavioral Finance and Wealth Management, John Wiley & Sons Inc.
- David Maude, Global Private Banking and Wealth Management, Wiley Finance
- Jean L. P. Brunel, Goals-Based Wealth Management, Wiley Finance Series
- John L. Maginn, Donald L. Tuttle, Dennis W. McLeavey, Jerald E. Pinto, Managing Investment Portfolios, CFA Institute Investment Series
- Stephen Horan, Private Wealth Management: Wealth Management in Practice, CFA Institute Investment Perspectives

Course Structure

Learning Activities and Teaching Strategies

There will be two classes per week. Lectures will be conducted in 2 hours block with some of the lectures involving interaction with industry experts. The lectures will be a blend of theory and class discussion on real world problems. Students are expected to participate and ask questions during class discussions to make the best possible use of the course.

Student Responsibilities and Conduct

Students are expected to be familiar with and adhere to university policies in relation to class attendance and general conduct and behavior, including maintaining a safe, respectful environment; and to understand their obligations in relation to workload, assessment and keeping informed.



Technical Information

You will need Microsoft Excel to be effective in the classroom.

Grading, Progress and Assessment

The course grade will be determined on the basis of

Evaluation Item	Weightage	Nature	Explanation
Take Home Assignment	20	Group	Trading Simulation and Portfolio Optimization Project
Group Project (Interim Submission and Presentation)	20	Group	Identifying a client. Client profiling and identification of behavioural biases, Coming up with an investment policy statement
Group Project (Final Submission and Presentation)	30	Group	A comprehensive wealth management plan for the client
End Term	30	Individual	

Course Schedule & Assessment of Student Learning

Session	Lecture Title	Reading
Week 1	Introduction to Wealth Management, Wealth Management Process, Wealth Management Industry, Ethical and Professional Standards	Ch. 1, 2 – Private Wealth Management Ch. 1, 2 – The New Wealth Management
Week 2	<i>Interaction with a wealth management professional</i> Client Profiling, Behavioral Biases, Investment Policy Statement, Wealth Management Policy Statement	Ch. 9 – Private Wealth Management Ch. 1, 3, 4, 13 – The New Wealth Management
	Groups formation for Wealth Management Plan (11 groups with 4-5 students each; at least 2 students from schools other than JSBF)	
Week 3	Investment Planning and Strategies – Modern Portfolio Theory, Diversification, Portfolio Optimization, Investment risks and mitigation techniques	Ch. 4 – Private Wealth Management Ch 7, 8, 10 – The New Wealth Management
Week 4	Investment Planning and Strategies – Equity Investments, Stock valuation, Stock selection, Diversification	Ch. 5, Ch. 6 – Private Wealth Management



Week 5	Investment Planning and Strategies – Fixed Income Investments, Bond Markets, Bond Valuation	Ch. 7 – Private Wealth Management
Week 6	Investment Planning and Strategies – Real Estate Investments, Real Estate Market, <i>Interaction with a real estate investment professional</i>	Ch. 6 – Private Wealth Management
Week 7	Interim Group Project Presentations and Feedback; First Trading Report Submission	
Week 8	Investment Planning and Strategies – Alternative Investments & Instruments	Ch. 8 – Private Wealth Management
Week 9	Asset Allocation Strategies & Process	Ch. 9 – Private Wealth Management Ch. 9 – The New Wealth Management
Week 10	Income Tax Planning, <i>Interaction with a taxation professional</i>	Ch. 10, 11 – Private Wealth Management Ch. 11 – The New Wealth Management
Week 11	Retirement Planning and Financing Education	Ch. 14-18 – Private Wealth Management Ch. 12 – The New Wealth Management
Week 12	Insurance Planning and Estate Management	Ch. 20-30 – Private Wealth Management
Week 13	Portfolio Management and Performance Evaluation	Ch. 14-16 – The New Wealth Management
Week 14	Evolving technologies in Wealth Management, Robo-advisory services etc. <i>Interaction with a technology expert from wealth management industry</i>	
Week 15	Final Group Project Presentations, Final Trading Report Submission	