

**FIN7130 (Go1/A01) (1.5 CH)
ALTERNATIVE MARKETS AND INSTRUMENTS
WINTER 2024**

TERRITORY ACKNOWLEDGEMENT

The University of Manitoba campuses are located on original lands of Anishinaabeg, Cree, Oji-Cree, Dakota and Dene peoples, and on the homeland of the Métis Nation. We respect the Treaties that were made on these territories, we acknowledge the harms and mistakes of the past, and we dedicate ourselves to move forward in partnership with Indigenous communities in a spirit of reconciliation and collaboration.

INSTRUCTOR

Name:	Adrian Weber	Office Location:	686 Drake Centre
Phone:	NA	Office Hours:	March 12, 19 and 21 6pm – 8pm
Fax:	NA	Class Room:	115 Drake
Email:	Adrian.Weber@umanitoba.ca	Class Time:	March 15, 16 from 8:45 to 3:45 and March 17 from 8:45 to 2:45

COURSE DESCRIPTION

This course explores alternative markets and instruments.

The valuation, diversification benefits and portfolio management of alternative market and instruments including, but not limited to, public real estate, hedge funds, private equity, commodities and venture capital will be described with an aim toward problem solving.

COURSE OBJECTIVES

On course completion, you should be able to:

- Calculate private real estate valuations using various approaches
- Calculate the values of publicly traded real estate securities using various approaches
- Explain private equity fund structure and perform relevant calculations
- Apply the venture capital method
- Contrast the valuation of commodities with equity and bond valuation
- Understand the structure of hedge funds and their diversification benefits
- Describe the strategies and risks of investing in distressed securities
- Understand alternative assets from a portfolio management perspective

COURSE MATERIALS

'Alternative Markets and Instruments' is required reading for this class and can be obtained *via* the UM Campus eBookstore.

Students are encourage to read as much of the text as possible before the first class but the first reading (Level I reading 58) is required and the material therein will be examined at the beginning of the first class (bring a financial calculator).

COURSE ASSESSMENT

Student progress will be assessed through:

- Exam 1 during the first 45 minutes of the first class (worth 15%)
- Exam 2 during the first 45 minutes of the third class (worth 35%)
- Final Exam 1:00pm on March 24 (worth 50%)

Final grades will be assigned as follows;

Cumulative Marks	Grade	GPA	Performance
90-100	A+	4.5	Excellent
80-89.99	A	4.0	Very Good
75-79.99	B+	3.5	Good
70-74.99	B	3.0	Satisfactory
65-69.99	C+	2.5	Marginal
60-64.99	C	2.0	Unsatisfactory
50-59.99	D	1.0	Unsatisfactory
49.99 and below	F	0.0	Unsatisfactory

NOTE: Class attendance is required. Missing more than 20% of this course due to absence from lectures may result in a failing grade. It is your responsibility to inform your professor, in advance if possible, of your absence and the reason for it:

- 1) if **medical**, self-declaration form must be submitted for an illness lasting 5 consecutive days or less <https://umanitoba.ca/governance/governing-documents-students#self-declaration-for-brief-or-temporary-student-absences>, no later than 48 hours after the end of the brief absence; a medical note from your physician must be submitted for an illness lasting more than 5 days;
- 2) if a **work commitment**, a signed letter on letterhead from your supervisor is required in advance, noting clearly the date(s) you must be away for your work commitment(s);
- 3) if for **student competitions**, an email from your Asper team coach must be received in advance indicating the dates you are away at competition.

The professor will then decide how to deal with the impact of the missed classes on your final grade.

COURSE SCHEDULE

Class or Workshop	Topic	Required Pre-reading Chapters
Class 1: March 15	Private Real Estate Investments	Reading 58 Reading 43
Class 2: March 16	Publicly Traded Real Estate Securities Private Equity Valuation The Venture Capital Method Special guest lecture on private market pension investment management	Reading 44 Reading 45
Class 3: March 17	Commodities and Commodity Derivatives and Alternative Investments Portfolio Management	Reading 46 Reading 26

ACADEMIC REGULATIONS AND STUDENT SERVICES

HUMAN ETHICS APPROVAL FOR DATA COLLECTION

As part of coursework, if you will be collecting data from people who are not students in this class, you must obtain Human Ethics approval from the UofM's Research Ethics Board (REB) prior to data collection. This applies to data collection such as surveys, interviews, focus groups, experiments, video recording, etc., where a respondent is solicited for participation.

If the entire class will be working on the same project, your instructor will apply for human ethics approval from the REB. If individuals or small groups of students will be working on different projects, it is the responsibility of the students to obtain approval (only one group member needs to apply). Your instructor will tell you whether s/he will be or you need to. **When in doubt, please talk to your instructor.**

Instructions and forms to apply for human ethics approval can be found at:
<http://umanitoba.ca/research/orec/ethics/guidelines.html>

In most cases, you will be using the "Protocol Submission Form" which is under the "REB Forms - Fort Garry Campus" heading.

It can take up to six weeks to process human ethics applications and obtain approval. Therefore, plan early. Note that approval must be obtained prior to data collection and cannot be obtained during the data collection phase or retroactively. Violation can get you, your instructor, and the Asper School in serious trouble with the REB.

The following do not require REB approval:

- a) Projects where students are conducting the research on themselves during class time;
- b) Projects involving the use of records or information that is in the public domain, including the use of anonymous secondary data and surveys or questionnaires that have already been published;

- c) Projects involving the use of naturalistic observation where there is no reasonable expectation of privacy (i.e. public park).
- d) Practicum or job training projects where students are fully integrated into the organization's operational practices and are not conducting research;
- e) Projects where the intent is to use the information to provide advice, diagnosis, identification of appropriate interventions or general advice for a client;
- f) Projects where the intent is to develop skills which are standard practice within a profession (e.g. observation, assessment, intervention, evaluation, auditing); or
- g) Projects where the information gathering processes are part of the normal professional relationship between the student and the participants.

If you have any questions, please contact humanethics@umanitoba.ca or your instructor.

UNCLAIMED ASSIGNMENT POLICY

Pursuant to the FIPPA Review Committee's approved recommendations of August 15, 2007, all unclaimed student assignments will become the property of the faculty and will be subject to destruction six months after the completion of any given academic term.

STUDENT SERVICES AND SUPPORTS

The University of Manitoba provides many different services that can enhance learning and provide support for a variety of academic and personal concerns. You are encouraged to visit the below websites to learn more about these services and supports. If you have any questions or concerns, please do not hesitate to contact your instructor or the Graduate Program Office.

For Information on...	...follow this link
Course Outlines, Year-at-a-Glance, Concentrations, Textbooks, VW Dates and Final Exams	Asper Graduate Student Resources
Exam Rescheduling Policy - <i>Please refer to Missing a Test/Exam on page 18 of the MBA Student Handbook</i>	MBA Student Handbook
Help with research needs such as books, journals, sources of data, how to cite, and writing	Library Resources
Tutors, workshops, and resources to help you improve your learning, writing, time management, and test-taking skills	Writing and Learning Support
Support and advocacy for students with disabilities to help them in their academic work and progress	Student Accessibility Services
Copyright-related questions and resources to help you avoid plagiarism or intellectual property violations	Copyright Office
Student discipline bylaws, policies and procedures on academic integrity and misconduct, appeal procedures	Academic Integrity
Policies & procedures with respect to student discipline or misconduct, including academic integrity violations	Student Discipline
Students' rights & responsibilities, policies & procedures, and support services for academic or discipline concerns	Student Advocacy

Your rights and responsibilities as a student, in both academic and non-academic contexts	Your rights and responsibilities
Full range of medical services for any physical or mental health issues	University Health Service
Information on health topics, including physical/mental health, alcohol/substance use harms, and sexual assault	Health and Wellness
Any aspect of mental health, including anxiety, stress, depression, help with relationships or other life concerns, crisis services, and counselling.	Student Counselling Centre
Support services available for help regarding any aspect of student and campus life, especially safety issues	Student Support Case Management
Resources available on campus, for environmental, mental, physical, socio-cultural, and spiritual well-being	Live Well @ UofM
Help with any concerns of harassment, discrimination, or sexual assault	Respectful Work and Learning Environment
Concerns involving violence or threats, protocols for reporting, and how the university addresses them	Violent or Threatening Behavior

ACADEMIC INTEGRITY

I.H. Asper School of Business, The University of Manitoba

It is critical to the reputation of the I. H. Asper School of Business and of our degrees that everyone associated with our faculty behaves with the highest academic integrity. As the faculty that helps create business and government leaders, we have a special obligation to ensure that our ethical standards are beyond reproach. Any misconduct in our academic transactions violates this trust. The University of Manitoba Graduate Calendar addresses the issue of academic misconduct under the heading "Plagiarism and Cheating." Specifically, acts of academic misconduct include, but are not limited to:

- using the exact words of a published or unpublished author without quotation marks and without referencing the source of these words
- duplicating a table, graph or diagram, in whole or in part, without referencing the source
- paraphrasing the conceptual framework, research design, interpretation, or any other ideas of another person, whether written or verbal (e.g., personal communications, ideas from a verbal presentation) without referencing the source
- copying the answers of another student in any test, examination, or take-home assignment
- providing answers to another student in any test, examination, or take-home assignment
- taking any unauthorized materials into an examination or term test (crib notes)
- impersonating another student or allowing another person to impersonate oneself for the purpose of submitting academic work or writing any test or examination
- stealing or mutilating library materials
- accessing tests prior to the time and date of the sitting
- changing name or answer(s) on a test after that test has been graded and returned
- submitting the same paper or portions thereof for more than one assignment, without discussions with the instructors involved.

Many courses in the I. H. Asper School of Business require group projects. Students should be aware that group projects are subject to the same rules regarding academic misconduct. Because of the unique nature of group projects, all group members must exercise extraordinary care to insure that the group project does not violate the policy on Academic Integrity. Should a violation occur on a group project, all group members will be held jointly accountable, no matter what their individual level of involvement in the specific violation.

Some courses, while not requiring group projects, encourage students to work together in groups (or at least do not prohibit it) before submitting individual assignments. Students are encouraged to discuss this issue as it relates to academic integrity with their instructor to avoid violating this policy.

In the I. H. Asper School of Business, all suspected cases of academic misconduct involving a graduate student (i.e. MBA, MFin, MSCM, MSc or PhD student) will be reported directly by the instructor to the Dean of the Faculty of Graduate Studies.

AI TOOLS

AI tools can be used to enhance learning and problem-solving skills, but they should not replace independent thinking and learning. Students must exercise critical thinking when using AI tools and acknowledge their use in academic work. Prohibited uses include generating or completing academic work with AI tools without appropriate

acknowledgement. Academic honesty is paramount, and students should accurately represent their individual effort and knowledge. Faculty will provide guidance on AI tool usage and incorporate discussions on AI ethics and academic integrity. Violations may lead to disciplinary actions, including academic penalties or suspension.

FACULTY BIOGRAPHY

I.H. Asper School of Business, The University of Manitoba

Dr. Adrian C. J. Weber CFA

Accounting and Finance

I.H. Asper School of Business

Adrian Weber was born and raised in Winnipeg where he completed a Bachelor of Science at the University of Manitoba majoring in biochemistry. After working at The Virology Lab on Arlington Street and The National Research Council Institute of Biodeagnostics on Ellice Adrian went to the University of British Columbia (UBC) to complete a PhD in physical chemistry in the field of nuclear magnetic resonance of liquid crystals. After a post-doctoral fellowship at UBC Adrian became an Assistant Professor in the Chemistry Department of Brandon University for four years. Adrian then took a faculty position at the University of Winnipeg in the Chemistry Department for three years during which time Dr. Weber passed all three levels of the Chartered Financial Analyst (CFA) Institute exams. After leaving academia Adrian became a Senior Portfolio Management Analyst with Pavilion Advisory Group (then acquired by Mercer) on the Investment Management team where he was on a team of six working together to manage over 2 billion in assets under management on behalf of our high-net-worth and institutional investor clients. After two years Adrian left Mercer for a quant position in the public investments arm of a pension fund with \$10 billion of AUM \$2 billion of which are insourced quant strategies preoccupying Dr. Weber's time. Adrian became a CFA Charter holder in October 2021. Dr. Weber still loves teaching however and for that reason teaches sometimes in the Asper Professional MBA and MFIN program and formerly in the Asper School of Business undergraduate program as a Professional Instructor. Most importantly though Dr. Weber likes Deftones, Limpbizkit, hunting, fishing, surfing, snowboarding and his Grandpa had a pet polar bear named Nanook.