Contact Information

Instructor: Ryan Donnelly (rdon@uw.edu)
Class Schedule: TTh 1:30 - 3:20 pm, LOW 206

Exams

Midterm: Thursday April 26, 2018 – 1:30 - 3:20
Final Exam: Friday June 8, 2018 – 2:30 - 4:20

Grading

Homework: 50%
Homework will be submitted online and must be in the form of a single pdf document. Computational
aspects of the homework may be done using any software of your choosing, but it is recommended that
you use R or Matlab.
Midterm: 25%
Final Exam: 25%
Online students must have an approved proctor for the midterm and final exam, and the test must be
written within 24 hours of the scheduled date and time (up to 24 hours before or 24 hours after). Online
students may write the exam on campus at the scheduled time but must contact the instructor in advance
to make sure there is room.

Materials

Textbook There is no required textbook for this course, but the following references may be helpful.

   University Press.
   & Business Media.

Other readings may be assigned as the course progresses.
Details

This course gives an overview on the most important static and dynamic investment strategies based on various optimization criteria and risk constraints including, but not limited to, Markowitz’s mean-variance optimization and Merton’s utility maximization.

The following is a tentative sequence of topics:

- Review of concepts in probability
- Review of mean-variance optimization
- Multiperiod discrete time trading strategies
- Dynamic utility maximization in continuous time
- Trading with transaction costs

Some additional topics may be covered based on available time.