

| DEREE COLLEGE SYLLABUS FOR: FN 4243 ALTERNATIVE INVESTMENT FUNDS                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 3/0/3                       |                                                                                   |     |                                                                        |     |                                  |   |
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| (New 2026)                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | UK LEVEL : 6<br>CREDITS: 15 |                                                                                   |     |                                                                        |     |                                  |   |
| PREREQUISITES:                                                                    | FN 2028 Principles of Finance<br>EC 3046 Investments Analysis and Management                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                             |                                                                                   |     |                                                                        |     |                                  |   |
| CATALOG DESCRIPTION:                                                              | In-depth analysis of alternative investment vehicles, including hedge funds, private equity, venture capital, real estate, commodities, and infrastructure. Examination of the role of alternative funds in portfolio diversification and asset allocation, along with current trends such as ESG integration and fintech innovations                                                                                                                                                                                                                    |                             |                                                                                   |     |                                                                        |     |                                  |   |
| RATIONALE:                                                                        | Alternative investment funds have become an essential part of global capital markets, offering investors diversification benefits beyond traditional equities and fixed income. The course equips students with the tools to understand fund strategies, evaluate performance, and assess risks in an industry that is highly dynamic and increasingly important in institutional and private wealth management. Moreover, valuation methods and regulatory framework is examined.                                                                       |                             |                                                                                   |     |                                                                        |     |                                  |   |
| LEARNING OUTCOMES:                                                                | By the end of this course, students should be able to:<br>1. Demonstrate knowledge of the structures and strategies of major alternative investment funds.<br>2. Analyze the risk-return characteristics of alternative investments compared to traditional assets.<br>3. Evaluate fund performance using appropriate metrics and benchmarks.<br>4. Demonstrate understanding of the regulatory, ethical, and governance issues related to alternative investments.<br>5. Apply portfolio construction techniques incorporating alternative investments. |                             |                                                                                   |     |                                                                        |     |                                  |   |
| METHOD OF TEACHING AND LEARNING:                                                  | <ul style="list-style-type: none"><li>Lectures, case studies, and interactive discussions.</li><li>Use of financial databases (Bloomberg, Refinitiv, Preqin) for empirical analysis.</li><li>Group projects analyzing real-world alternative investment strategies.</li><li>Guest lectures from industry professionals (hedge fund managers, private equity practitioners).</li><li>Blackboard for resources, announcements, and assignments.</li></ul>                                                                                                  |                             |                                                                                   |     |                                                                        |     |                                  |   |
| ASSESSMENT:                                                                       | <b>Summative:</b> <table><tr><td>1<sup>st</sup> assessment – Individual Coursework/ Project (1,700 – 2,200 words)</td><td>40%</td></tr><tr><td>Final assessment: In-class written examination (Two-hour, closed-book)</td><td>60%</td></tr></table><br><b>Formative:</b> <table><tr><td>Case Studies, Excel applications</td><td>0</td></tr></table>                                                                                                                                                                                                     |                             | 1 <sup>st</sup> assessment – Individual Coursework/ Project (1,700 – 2,200 words) | 40% | Final assessment: In-class written examination (Two-hour, closed-book) | 60% | Case Studies, Excel applications | 0 |
| 1 <sup>st</sup> assessment – Individual Coursework/ Project (1,700 – 2,200 words) | 40%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                             |                                                                                   |     |                                                                        |     |                                  |   |
| Final assessment: In-class written examination (Two-hour, closed-book)            | 60%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                             |                                                                                   |     |                                                                        |     |                                  |   |
| Case Studies, Excel applications                                                  | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                             |                                                                                   |     |                                                                        |     |                                  |   |

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|                                                                           | <div></div> <p>The formative assignments prepare students for the examinations and ensure that students are actively engaged during the term.</p> <p>The “Coursework-Project” tests Learning Outcomes 1, 2, 3.<br/>The final assessment tests Learning Outcomes 1 – 5.</p> <p>The final grade for this module will be determined by averaging all summative assessment grades, based on the predetermined weights for each assessment. If students pass the comprehensive assessment that tests all Learning Outcomes for this module and the average grade for the module is 40 or higher, students are not required to resit any failed assessments.</p>                                                                                                                                          |
| <b>INDICATIVE READING:</b>                                                | <p><b>Required Reading:</b></p> <p>Dearth, M., Yong Ku, S., 2023, <i>Getting started in Alternative Investments</i>, Wiley</p> <p><b>Recommended Reading:</b></p> <ul style="list-style-type: none"> <li>• Kent Baker, H., Filbeck, G., <i>Alternative Investments Instruments, Performance, Benchmarks, and Strategies</i>. Wiley, latest edition</li> <li>• Lo, A., 2008, <i>Hedge Funds: An Analytic Perspective</i>. Princeton University Press.</li> <li>• Phalippou, L., 2017, <i>Private Equity Laid Bare</i>. Palgrave Macmillan.</li> <li>• Fabozzi, F., 2008, <i>Handbook of Commodity Investing</i>. Wiley.</li> <li>• Preqin Reports (Hedge Funds, Private Equity, Real Assets).</li> <li>• Financial Times, Wall Street Journal, Institutional Investor, Hedge Fund Review.</li> </ul> |
| <b>INDICATIVE MATERIAL:</b><br>(e.g. audiovisual, digital material, etc.) | <p><b>REQUIRED MATERIAL:</b> N/A</p> <p><b>RECOMMENDED MATERIAL:</b> N/A</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>COMMUNICATION REQUIREMENTS:</b>                                        | <ul style="list-style-type: none"> <li>o Use of Blackboard CMS.</li> <li>o Use of word processing, Excel, and presentation software for documentation of assignments.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>SOFTWARE REQUIREMENTS:</b>                                             | Excel, Word, PowerPoint, Bloomberg, Workspace                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>WWW RESOURCES:</b>                                                     | <ul style="list-style-type: none"> <li>• <a href="http://www.preqin.com">www.preqin.com</a></li> <li>• <a href="http://www.institutionalinvestor.com">www.institutionalinvestor.com</a></li> <li>• <a href="http://www.cfainstitute.org">www.cfainstitute.org</a></li> <li>• <a href="http://www.sec.gov">www.sec.gov</a></li> <li>• <a href="http://www.esma.europa.eu">www.esma.europa.eu</a></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                          |

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|                            | <ul style="list-style-type: none"> <li>• <a href="http://www.hedgefundresearch.com">www.hedgefundresearch.com</a></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>INDICATIVE CONTENT:</b> | <ul style="list-style-type: none"> <li>• Introduction to Alternative Investments</li> <li>• Hedge Funds: Strategies, Risks, and Performance</li> <li>• Private Equity and Venture Capital: Structures and Value Creation</li> <li>• Real Estate funds</li> <li>• Commodities funds</li> <li>• Hedge Funds</li> <li>• Risk Measurement and Performance Evaluation</li> <li>• Portfolio Diversification with Alternatives</li> <li>• Regulation and Governance of Alternative Funds</li> <li>• Emerging Topics: ESG, Impact Investing</li> </ul> |