

CONTENTS

PART I

Learning Outcomes, Summary Overview, and Problems

CHAPTER 1

The Portfolio Management Process and the Investment Policy Statement 3

Learning Outcomes	4
Summary Overview	4
Problems	6

CHAPTER 2

Managing Individual Investor Portfolios 12

Learning Outcomes	12
Summary Overview	13
Problems	15

CHAPTER 3

Managing Institutional Investor Portfolios 25

Learning Outcomes	25
Summary Overview	26
Problems	28

CHAPTER 4

Capital Market Expectations 35

Learning Outcomes	35
Summary Overview	36
Problems	38

CHAPTER 5

Asset Allocation 47

Learning Outcomes	47
Summary Overview	48
Problems	50

CHAPTER 6	
Fixed-Income Portfolio Management	60
Learning Outcomes	60
Summary Overview	61
Problems	64
CHAPTER 7	
Equity Portfolio Management	69
Learning Outcomes	69
Summary Overview	70
Problems	72
CHAPTER 8	
Alternative Investments Portfolio Management	76
Learning Outcomes	77
Summary Overview	78
Problems	79
CHAPTER 9	
Risk Management	86
Learning Outcomes	86
Summary Overview	87
Problems	89
CHAPTER 10	
Execution of Portfolio Decisions	95
Learning Outcomes	95
Summary Overview	96
Problems	97
CHAPTER 11	
Monitoring and Rebalancing	102
Learning Outcomes	102
Summary Overview	103
Problems	104
CHAPTER 12	
Evaluating Portfolio Performance	112
Learning Outcomes	112
Summary Overview	113
Problems	116

CHAPTER 13	
Global Investment Performance Standards	121
Learning Outcomes	121
Summary Overview	122
Problems	125
PART II	
Solutions	
CHAPTER 1	
The Portfolio Management Process and the Investment Policy Statement	135
Solutions	135
CHAPTER 2	
Managing Individual Investor Portfolios	140
Solutions	140
CHAPTER 3	
Managing Institutional Investor Portfolios	152
Solutions	152
CHAPTER 4	
Capital Market Expectations	160
Solutions	160
CHAPTER 5	
Asset Allocation	170
Solutions	170
CHAPTER 6	
Fixed-Income Portfolio Management	177
Solutions	177
CHAPTER 7	
Equity Portfolio Management	183
Solutions	183

CHAPTER 8	
Alternative Investments Portfolio Management	186
Solutions	186
CHAPTER 9	
Risk Management	194
Solutions	194
CHAPTER 10	
Execution of Portfolio Decisions	199
Solutions	199
CHAPTER 11	
Monitoring and Rebalancing	205
Solutions	205
CHAPTER 12	
Evaluating Portfolio Performance	210
Solutions	210
CHAPTER 13	
Global Investment Performance Standards	218
Solutions	218
About the CFA Program	231