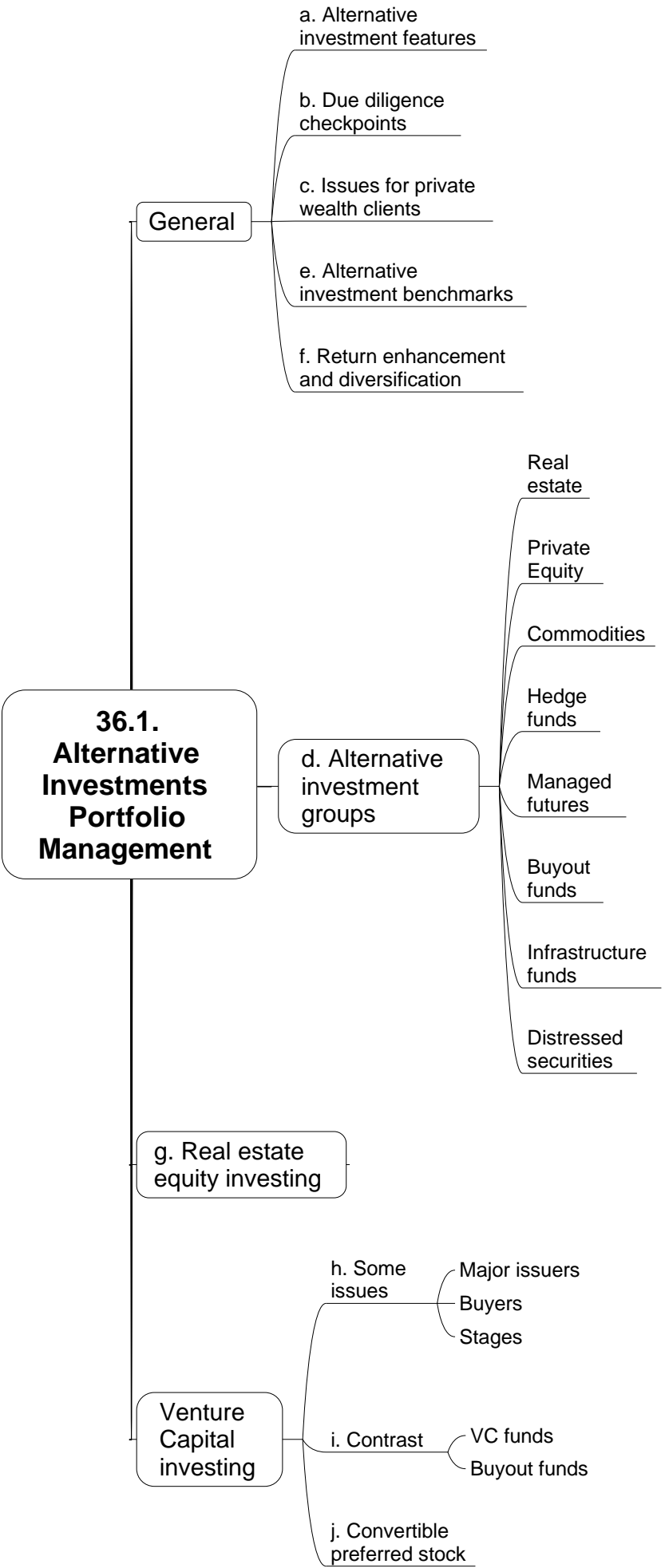


CFA LEVEL 3

STUDY SESSION 13

ALTERNATIVE
INVESTMENTS
PORTFOLIO
MANAGEMENT



General

a. Alternative investment features

b. Due diligence checkpoints

c. Issues for private wealth clients

e. Alternative investment benchmarks

f. Return enhancement and diversification

36.1. Alternative Investments Portfolio Management

d. Alternative investment groups

Real estate

Private Equity

Commodities

Hedge funds

Managed futures

Buyout funds

Infrastructure funds

Distressed securities

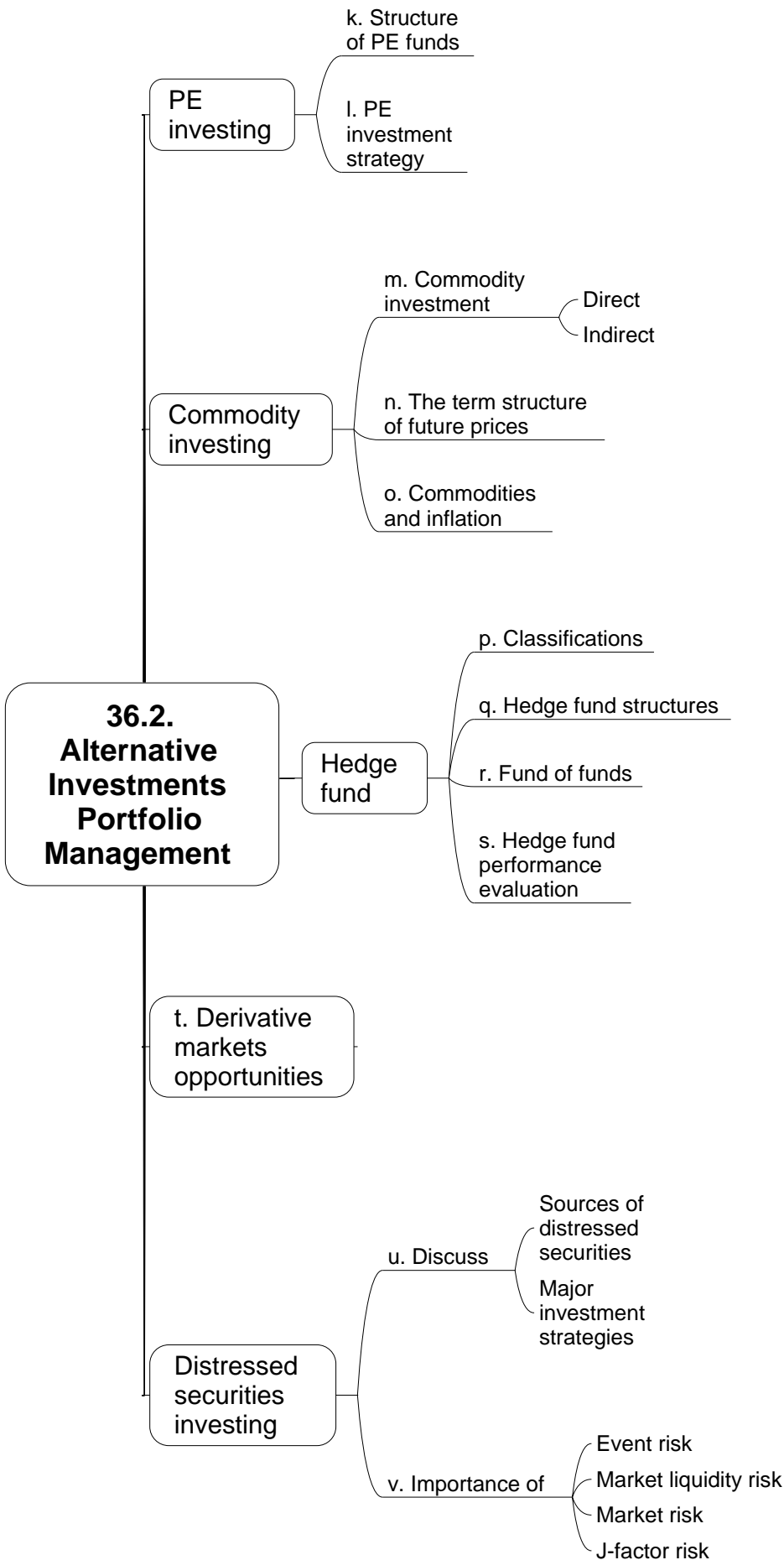
g. Real estate equity investing

Venture Capital investing

h. Some issues
Major issuers
Buyers
Stages

i. Contrast
VC funds
Buyout funds

j. Convertible preferred stock



36.2. Alternative Investments Portfolio Management

PE investing

I. PE investment strategy
k. Structure of PE funds

Commodity investing

m. Commodity investment
n. The term structure of future prices
o. Commodities and inflation

Direct
Indirect

Hedge fund

p. Classifications
q. Hedge fund structures
r. Fund of funds
s. Hedge fund performance evaluation

t. Derivative markets opportunities

Distressed securities investing

u. Discuss
v. Importance of

Sources of distressed securities
Major investment strategies

Event risk
Market liquidity risk
Market risk
J-factor risk

Hedging
strategies

37. Swaps

Inherent risk
exposures

