MISSION AND PROGRAM OVERVIEW

The Applied Finance Project serves as a capstone to the Master of Financial Engineering (MFE) curriculum and represents an opportunity to merge theory and principle with up-to-the-minute business practice. Participating corporate sponsors benefit from engaging a team of highly motivated students from a top-rated program in their proprietary research projects.

The hands-on Applied Finance Project helps prepare our students for their careers in quantitative finance, testing their ability to solve complex analytical business problems in real-world settings. In addition to showcasing their knowledge of quantitative finance, MFE candidates also hone their communication skills and delve deeply into an area of interest beyond the classroom.

The UCLA Anderson MFE program takes pride in this important partnership with the financial community and invites you to take a closer look at the benefits available to both corporate sponsors and students.

BENEFITS TO THE COMPANY

- Professional-grade project execution
- The opportunity to work with a team of MFE candidates
- A clear formulation of the problem and summary of results and conclusions
- A detailed review of academic and practitioner literature
- Efficient and well-documented code
- Recommendations for future extensions
- An opportunity to put potential future employees to the test
- Validation of firm models
- Opportunity to test and back-test strategies and models
Projects must be quantitative in nature in areas such as: quantitative trading strategies, portfolio management, risk management, hedging and derivatives valuation.

A participating firm is expected to show full commitment, which entails:

- Assigning a dedicated project manager to scope the problem and guide students’ research
- Providing access to data and documentation whenever possible (under NDA if required)
- Participating in periodic conference calls and a final presentation
- Evaluating students’ work and reporting back to the program coordinator

All projects involve data analysis and financial modeling at the graduate level and require computer programming.

PROGRAM OUTLINE

At the end of Spring quarter, students will submit a one-page project description signed by the company and the group’s advisor. This description will set the scope of the project and is intended to bring in line all parties’ expectations. It will include:

- The topic
- Short background and review of related research
- The scope of the project
- The data required and planned data sources

Students will perform a complete literature review over the Summer, and present it to the company and their advisor at the beginning of the following quarter. It is the goal that all required data will be assembled during the Summer and made available to students at the start of Fall quarter.

Throughout the Fall quarter, students and client will hold conference calls at least once every two weeks.

In early November, students will submit a midpoint report on the project. The final report will be completed in early December. It will include:

- A clear formulation of the problem
- Summary of results and conclusions
- Clean data sets
- Efficient, well-documented code
- Write-up of results
- Recommendations for future extensions

Students will present the final results to the company at the beginning of December.

SOME RECENT PARTICIPANTS

Accenture
AXA Rosenberg
Chicago Quantitative Alliance
Citigroup
Hyundai Capital America
New York Life
PIMCO

IMPORTANT DATES

STUDENTS SUBMIT PROJECT DESCRIPTIONS . . . . . . . . . . Jun 5
LITERATURE REVIEW (SUMMER PREPARATION). . . . . . Oct 9
MIDPOINT REPORT . . . . . . . . . . . . . . . . . . . . . . . . . . Nov 13
FINAL DELIVERABLES . . . . . . . . . . . . . . . . . . . . . . . . Dec 4

Students will present their work to relevant faculty and will be graded by the advising professor, who will also consider the feedback received from the client. Whenever possible, and conditional on the client’s agreement, students will present in front of the entire MFE class as well.

FOR MORE INFORMATION, CONTACT:

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