The Words of Wall Street:
Deciphering the Jargon of Finance and Investments

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Week 1- The Structure of Wall Street
- Buy side, Sell side
- Common stock basics – GICS, diversification, capitalization and styles
- Investment strategies, active vs. passive
- Investment strategies, top down-bottom up
- Investment vehicles

Week 2 – Bond basics
- Bond types
- Bonds – key words and concepts
- Bond structures
- Pricing

Week 3 – What are you paying for advice?

- Mutual funds – load or no load, share classes, POP, breakpoints, 12B-1 fee, contingent deferred sales charge, net asset value (NAV)
- Hedge Funds – 1 and 20
- Assets under management (AUM), asset management fees
- Wrap accounts

Week 4 – Theoretical finance and your investments
- Efficient Market Hypothesis
- Modern Portfolio Theory
- Quantitative finance
- Behavioral finance – anchoring, endowment effect, overconfidence, fear of loss (risk aversion), herding
- The "Greeks" – alpha, beta
- Quant strategies in ETF formats

Week 5 – Statistical concepts and your investments
- Standard deviation
- Reversion to the mean
- Correlation
- Equity Risk premium
- Tracking error

Week 6 – The brave new world of markets
- Exotics
  - Derivatives: options, futures, swaps, swaptions, triple witching days
  - Synthetics/structured products: CDS, CLO, CDO, CMO

Trading and Market Structure: high frequency trading, dark pools, electronic crossing networks (ECNs), order routing, maker-taker payments, payment for order flow, flash crash, algorithmic trading

Week 7 – Investments and retirement

Life cycle funds

Monte Carlo simulation

Asset allocation

Withdrawal rates/expected returns

Longevity risk, complexity risk

Long term care insurance

Reverse Mortgages

Week 8 – Key takeaways