SAMPLE PROJECTS

Investment Research
- Assess the predictive power of leader-follower relationships among companies.
- Use machine learning and AI techniques to research alpha signals in social media data (Glassdoor, etc.).
- Investigate a probability-based model for emerging markets currency crises.
- Build a trading strategy for rates and currencies using the volatility risk premium.

Venture Capital/Private Equity
- Perform valuation analysis for a late-stage growth company in the SAAS space.
- Identify attractive PE targets in the small family-owned US manufacturing segment.
- Build detailed valuation models for startup healthcare diagnostics company in South Asia.

Trading/Risk Analysis
- Use transaction-level intraday bond data to construct measures of overall bond market liquidity.
- Perform factor analysis on illiquid alternative investments like private equity and distressed credit.
- Analyze notional vs. actual trading liquidity in fixed income ETFs; factor crowding in strategies.
ACCESS WORLD-CLASS FINANCE TALENT THROUGH MIT SLOAN

Q: How are students assigned?
A: Course faculty determine assignments based on student and sponsor preferences and required skill sets.

Q: What skill sets are typically required?
A: Projects typically tap into one or more advanced skills: financial econometrics, simulation, derivatives valuation, optimization, software and programming languages, and qualitative or policy-related analysis.

Q: Am I guaranteed a team will be assigned to my project?
A: No. While it’s our desire to take on every project, we have to confirm the number of course participants before committing.

Q: How does the Practicum differ from an internship?
A: Students are not employees of the sponsor; they receive teaching and mentoring from course faculty in conjunction with real-world experience. Faculty assign teams and recruit projects that leverage our academic curriculum and meet course objectives.

Q: Can I use the Practicum as a recruiting tool?
A: Yes. We’ll involve our Career Development Office to ensure that your needs are met.

Q: What is the cost to participate in the Practicum?
A: MIT Sloan does not charge sponsors to participate. However, some sponsors incur out-of-pocket costs, such as reimbursing students for travel and living expenses outside the Boston area; sponsor travel to campus; and data and software purchases as needed.

Q: Do students have access to MIT Sloan data and software?
A: Yes. Students have access to Bloomberg, Capital IQ, Pitchbook, Compustat, CRSP, FactSet, MATLAB, Mathematica, Barra, Northfield, Windham Portfolio Advisor, and more.

Q: What determines if the project is done onsite or offsite?
A: The sponsor and faculty determine the best venue. Our preference is for students to meet in person with sponsors at least once a week for four weeks. However, we are flexible given sponsor constraints.

Q: Is it appropriate to ask students to sign a confidentiality agreement?
A: Sponsors should clearly communicate what is and is not proprietary. If sponsors wish to formalize an understanding, it can be discussed with course faculty.

KEY DATES

September 30, 2018
Deadline for communicating intent to participate.

October 15, 2018
Project descriptions due from sponsors (one page or less).

November 30, 2018
Students receive assignments and are introduced to their sponsors.

January 5, 2019
Official start date (or earlier, schedule permitting).

February 1, 2019
Official last day students are available for full-time project work.

February/March, 2019
Students present their research to sponsors and in class.

Learn more about the MFin program: mitsloan.mit.edu/mfin