FINC 6542-Investment Analysis and Portfolio Analysis
Course Outline
Fall 2013

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E-mail: jyoder@westga.edu

Office Hours: T, R: 1:00 - 2:30 PM
R: 6:00 - 7:00 PM
W: 1:00 - 5:00 PM
(And by appointment)

(You are WELCOME to drop in any time I am in the office)

I. Catalog Description:

Study of securities markets and security analysis for portfolio planning.

II. Required Background or Experience:

A. Prerequisites: FINC 3511 or equivalent

B. Prerequisite Justification:
   In depth knowledge of present value analysis and methods of valuation of securities is required. These topics are covered in FINC 3511.

C. The course uses the writing skills developed in English courses and ABED 3100.

III. Expected Outcomes: (www.westga.edu/accfin/outcomes.htm)

A. Understand the operational mechanics of securities markets (LG 2, 3, 4, 5, 9)

B. Develop the ability to interpret financial statements and financial information (LG 2, 4, 10)

C. Improve analytical skills and critical thinking necessary to value and evaluate alternative investment decisions (LG 2, 3, 4, 5, 10)

D. Improve written communications skills through preparation of investment projects (LG 1)

E. Conduct research (library) necessary to make investment decisions and build and manage portfolios (LG 2, 4, 8, 10)

F. Develop knowledge of equity and fixed income portfolio management (LGO 1, 10, 12)

G. Understand the use of futures and options in portfolio management (LG 2, 5, 6, 10)

H. Become familiar with global investment and portfolios (LG 9)
IV. Text and References

Text: Essentials of Investments, 8th OR 7th ed., Bodie, Kane and Marcus

Supplementary Material: Library Course Reserve Page will have solutions to problems from the book. Password is “invest”

V. Special or Unique Student Materials:

Students will need access to internet, Excel or other spreadsheet program.

A financial calculator with a cash flow button is required. Examples: TI BAII plus, TI-83, TI-83 plus. **Devices with a wireless connection (e.g. Iphone, Blackberry, Ipad) are not allowed for test taking.**

Subscription or access to the Wall Street Journal

VI. Special or Unique University Facilities:

Access to the Business School Computer Lab, and the Internet are required for investment projects.

VII. Expanded Description of the Course and Instructional Methods:

A. Expanded description of the course:

This course is in two distinct parts. The first half of the course examines investment analysis from the standpoint of the individual. Topics include investment alternatives, security markets, trading procedures, bond valuation, stock valuation, and market indices.

The second part of the course examines investment portfolio formation, management and evaluation.

Topics include efficient markets, portfolio theory, capital market theory, portfolio performance evaluation, and the use of derivative securities.

B. Instructional Methods

1. Lecture, discussion, problem solving, and applied projects.

   The portfolio construction **process** is discussed in conjunction with applied projects.

2. Videotapes:

   Analyzing Mutual Funds.
VIII. Methods of Evaluating the Outcomes:

A. Grading Policy (approximate):

- Midterm examination (2) 200 points
- Final examination 100 points
- Projects/quizzes As assigned

B. Administrative Policies

1. Class attendance is strongly recommended.
2. No makeup tests/quizzes.
3. You are responsible for knowledge of any administrative announcements (test information, schedule changes, etc. that are made during class).
4. Tests/quizzes will be announced in advance.
5. There is no extra credit in this course. Work submitted for credit in other courses will not count for credit in this course.
6. If you require any special conditions for attending class or taking tests, please notify the instructor during the first week of classes.
7. Requests for quiz/exam score adjustments must be made within one week of grade assignment.
8. Finance is the most quantitative major in the core and depends heavily in accounting. If you did poorly in your math and accounting courses, finance is probably not the major for you.

IX. Tentative Schedule:

<table>
<thead>
<tr>
<th>Week Beginning (Monday)</th>
<th>Chapter</th>
<th>Topic</th>
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<tbody>
<tr>
<td>10/21</td>
<td>1, 2, 3, 5</td>
<td>Intro., Securities, Trading, Returns</td>
</tr>
<tr>
<td>10/28</td>
<td>12, 14,</td>
<td>Macro Analysis, Fin State Anal.</td>
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<tr>
<td>11/04</td>
<td>13</td>
<td>Equity Valuation</td>
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<tr>
<td>11/11</td>
<td>8, 6</td>
<td>Efficient Markets, Risk</td>
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<tr>
<td>11/18</td>
<td>7</td>
<td>Risk, CAPM,</td>
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<tr>
<td>11/25</td>
<td>Thanksgiving</td>
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<tr>
<td>12/02</td>
<td>18, 4</td>
<td>Performance Eval., Mutual Funds Port. Folio</td>
</tr>
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Final Exam: **December 10**th, (Tuesday, 6:00 - 8:00 pm)

Chapters 2 and 3 will have a substantial independent study component.