

Course Syllabus
Spring 2018 – FINC 5345.01 – Investments (CID 21510)

Professor: Dr. Gutierrez
Office: Room 310 (Woodlands)
Phone: 936-294-3380
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Time: 6:00pm – 8:50pm (Wednesday)
Office Hours: Wednesday 5:30pm – 6:00pm

Course Objective

The aim of FINC 5345 is to help the student become an informed practitioner of investments.

Course Description

This course covers the basics of investments within an integrative framework. The objective is to develop key concepts in investment theory from the perspective of the portfolio manager. This class provides a structure for thinking about investment theory. The course is “applied” in the sense that concepts are applied to real world data. In this course, we will focus on:

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| 1.) Features of various financial markets and instruments | 2.) Types of trades and transactions in these markets |
| 3.) Risk-return trade-off | 4.) Portfolio diversification, formulation, and evaluation |
| 5.) Valuation of financial assets | 6.) Derivative markets and hedging |

Given that investment management requires one to understand and deal effectively with randomness, grounding in statistics is essential, and familiarity should extend through multiple regression, covariance and correlation. In addition to the course’s technical content, a number of tools, such as Excel modeling and using the internet to locate financial data are investigated.

Learning Objectives

- 1) Acquire analytical skills necessary to pursue a career path in finance that involves investment related activities
- 2) Manage the financing needs of a firm through an understanding of the role of risk and return
- 3) Use of quantitative tools and methods to solve investment related problems

Textbook and Resource Materials

- 1) Bodie, Kane and Marcus, Essentials of Investments, 8th edition or newer, McGraw-Hill Irwin
ISBN # 978-0-07-338240-1
- 2) Texas Instrument BA II Plus or Professional

Grading

This course requires substantial work. Students must be prepared to dedicate a considerable amount of time to completing homework assignments and preparing for exams.

Unannounced Quizzes (approx 3-5)	10%	<i><u>The weighting assignments in BlackBoard are not official.</u></i>
Homework Assignments (approx 6-8)	15%	
Midterm Exam 1	25%	
Midterm Exam 2	25%	
Final Exam	25%	
	100%	

All grades are final. Any request for a different grade will not be entertained.

In addition to material in the textbook, exams will also test materials covered in class which may not appear in the textbook. When taking exams, you will be allowed only your calculator, writing instruments, and a scantron.

No make-up exams will be given. If you happen to miss an exam, the weight associated with that exam will be transferred to the final exam. In addition, your personalized final exam will be heavy on the material which was on the exam you missed. All exams and all your work on exams are the property of the professor.

Course Revisions

This syllabus is provided for informational purposes regarding the anticipated course content and schedule of classes. It is based on the most recent information available on the date of issuance and is as accurate and complete as possible. I reserve the right to make any changes I deem necessary. I will do my utmost to communicate any changes to the syllabus in a timely manner. Students are responsible for being aware of these changes. Any revisions to the syllabus will be announced in class. Any announced revision supersedes that which is presented in the syllabus.

Tentative Schedule of Classes

Jan 17	Background, Asset Classes and Financial Instruments	Chapters 1 & 2
Jan 24	Securities Markets	Chapter 3
Jan 31	Securities Markets	Chapter 3
Feb 7	Securities Markets	Chapter 3
Feb 14	Risk and Return: Past and Prologue	Chapter 5
Feb 21	Risk and Return: Past and Prologue	Chapter 5
Feb 28	Exam 1 (Chapters 1, 2, 3, 5): 6:00pm - 8:30pm	
Mar 7	Efficient Diversification	Chapter 6
Mar 14	No Class – Spring Break	
Mar 21	Capital Asset Pricing & Arbitrage Pricing Theory	Chapter 7
Mar 28	Futures Markets and Risk Management	Chapter 17
Apr 4	Exam 2 (Chapters 6, 7, 17): 6:00pm - 8:30pm	
Apr 11	Options Markets	Chapter 15
Apr 18	Options Markets	Chapter 15
Apr 25	Option Valuation	Chapter 16
May 2	Final Exam (Chapter 15, 16): 6:00pm - 8:30pm	

Academic Dishonesty

"All students are expected to maintain complete honesty and integrity in the academic experience both in and out of the classroom. Any student found guilty of dishonesty in any phase of academic work will be subjected to disciplinary action." Code of Student Conduct and Discipline, Section 5.3, as printed in Guidelines. Members of this class are subject to these guidelines.

Office of Services for Students with Disabilities (SSD)

Any student with a disability that affects his/her academic performance should contact the Office of Services for Students with Disabilities in the SHSU Lee Drain Annex (telephone 936-294-3512, TDD 936-294-3786) to request accommodations.