

Syllabus
FIN 569: Seminar in Investments

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6:00 - 8:50 PM Thursday
Office Hrs: 10-12:30 MWF,
5-6pm M, Th (UCTR)

Textbook: *Essentials of Investments* (6th edition) by Bodie, Kane, and Marcus

Website: Course announcements, lecture materials and grades will be available on the SHSU Blackboard information system (<http://blackboard.shsu.edu>). Please make sure that you are able to access the Blackboard system, since important class announcements will be posted there.

Description: A study of financial assets, their valuation techniques and the markets in which they are traded. Provides an overview of portfolio theory and the analytical tools of portfolio management, as well as the relationship between risk and return. Includes a survey of current research in investments.

Objectives: This course will provide students with an understanding of the various types of financial assets, their role in the economy, and the markets in which they are traded. By the end of the semester, the student will:

- Understand the process of investment and the markets in which financial assets are traded
- Understand the characteristics of various types of financial assets
- Understand the process of issuing and trading securities
- Understand the role and function of mutual funds and other investment companies
- Understand the tradeoff between risk and rates of return, and the effect of diversification.
- Understand the Efficient Markets Hypothesis and its implications
- Understand the nature and characteristics of debt securities and their valuation
- Understand the nature and characteristics of equity securities and their valuation

Exams: There will be three exams (including the final), each worth 100 points. Exams will consist of short-answer or essay questions, as well as quantitative problems. The final exam is not comprehensive.

Presentation: In teams of two, students will have to give an in-class presentation summarizing the current research on a specific topic relevant to the course material. Each group will have to find one or more scholarly publications on their given topic, read and understand the material, and present it in class. Copies of the papers selected must be submitted to the instructor *at least one week prior to the presentation date* for approval. In addition, the group must submit a written report on the day of presentation.

Homework: Where appropriate, I will assign some problem sets/mini-cases to be completed and submitted prior to the following week's class (potentially online via Blackboard). Refer to the Blackboard site for more details.

Excel Project: Students will be required to complete a project in Microsoft Excel involving several aspects of investment analysis. This will be assigned in stages, as we cover the relevant material.

Calculators: You will need a scientific or business calculator to complete the course. At a minimum, your calculator must be capable of evaluating exponents. More sophisticated financial calculators with NPV/IRR functions may make life easier, but are not likely to improve your grade. **All students are expected to bring a calculator to each class session.**

NOTES: (1) While I'm willing to help with calculator issues, I am not familiar with the operation of all available calculator models. Ultimately, *you* are responsible for learning how to use *your* calculator to solve the problems on the exams... so don't throw away the manual! (If you already did, you can probably find a copy on the manufacturer's website.) (2) Higher-capacity computing devices such as PDAs and notebook computers may not be used during exams. (3) Students may not share a calculator during exams...please remember to bring your calculator to class, and always check the batteries prior to exams!

Attendance: Regular attendance of lectures is vital to understanding, integrating, and applying the concepts discussed in class. Attendance will be checked in accordance with university policy.

While in class, it's important that your attention is focused on the subject matter at hand; you may not read any unrelated material or engage in communication not relevant to the content of this course. Also: as a courtesy to others in the class, please make an effort to **silence cell phones and pagers** while class is in session.

Grading: Based on a point system, with a total of 500 points possible:

- 300 points - Exams
- 50 points - Research presentation
- 50 points - Excel project
- 100 points - Problem sets

Letter grades will be assigned according to the usual 90/80/70%... scale:
450 points or more = "A", 400-449 = "B", 350-399 = "C", 300-349 = "D"

Academic Honesty “The university expects all students to engage in all academic pursuits in a manner that is above reproach. Students are expected to maintain complete honesty and integrity in the academic experiences both in and out of the classroom. Any student found guilty of dishonesty in any phase of academic work will be subject to disciplinary action.”

(<http://www.shsu.edu/students/guide/dean/codeofconduct.html>)

The SHSU policy on academic honesty is very clear, and needs no further explanation. Nevertheless, it's worth pointing out that *either* (a) submitting anything other than your own original work, or (b) allowing your own work to be submitted by another student will be considered academic misconduct. **Any student found to have been involved in academic dishonesty, as defined by SHSU Academic Policy Statement 810213, will receive a course grade of F**, and possible referral to the

SHSU adheres to all applicable federal, state, and local laws, regulations, and guidelines with respect to providing reasonable accommodations for students with disabilities. If you have a disability that may affect adversely your work in this class, then I encourage you to register with the SHSU Counseling Center and to talk to me about how I can best help you. All disclosures of disabilities will be kept strictly confidential. NOTE: no accommodation can be made until you register with the Counseling Center.

Student Absences on Religious Holy Days Policy

Section 51.911(b) of the Texas Education Code requires that an institution of higher education excuse a student from attending classes or other required activities, including examinations, for the observance of a religious holy day, including travel for that purpose. A student whose absence is excused under this subsection may not be penalized for that absence and shall be allowed to take an examination or complete an assignment from which the student is excused within a reasonable time after the absence.

University policy 861001 provides the procedures to be followed by the student and instructor. A student desiring to absent himself/herself from a scheduled class in order to observe (a) religious holy day(s) shall present to each instructor involved a written statement concerning the religious holy day(s). This request must be made in the first fifteen days of the semester or the first seven days of a summer session in which the absence will occur. The instructor will complete a form notifying the student of a reasonable timeframe in which the missed assignments and/or examinations are to be completed.