

Business 380
Investment Analysis
Young 320
TR 2:30 – 3:50 p.m.

Kent Grote
Young 305
Office Hrs: TR 11:00 a.m. – 1:30 p.m.
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Course Description: Analysis of different investment options and the investment decisions made by both institutional and personal investors. Material will cover theoretical pricing models of financial instruments as well as consideration of the actual investment markets and participants in those markets.

Prerequisites: Econ 180 and Business 237. Prerequisites will be checked so if you have not had both Econ 180 and Business 237, talk to me after the first class.

Text: ESSENTIALS OF INVESTMENTS, 7th Edition, Bodie, Kane and Marcus

Grades: Grades in the course will be determined by the following:

Exams	60%
Papers	25%
Homework	15%

Exams: There will be three exams in the class (including the final), and each will be worth 20% of your overall grade for the class. The final exam will be partly comprehensive, but with more weight on the material since the second exam. All exams will consist of essay-style questions where you are expected to not only provide appropriate answers, but also explain why you answered in that way. Your presence is both expected and required at all exams unless you have a legitimate excuse and have talked to me prior to the exam (sending an email does NOT count as talking to me). Otherwise you will receive a zero for the exam. The exam dates are:

Exam 1:	Thursday, February 14
Exam 2:	Thursday, March 27
Final:	Wednesday, May 7, 1:30 p.m. (final)

Papers: There will be a research paper due in stages over the course of the semester. Due dates for sections of the paper and points (of your overall grade) allocated to each section are as follows:

Topic:	Thursday, January 24	1%
Detailed Outline and Bibliography:	Thursday, February 21	4%
Draft One:	Thursday, March 20	8%
Final Draft:	Tuesday, April 29	12%

Homework: Graded homework assignments will be made throughout the semester. It is your responsibility to be in class and know when homework assignments are due. All homework assignments are due at the beginning of class and late homework assignments will be docked one letter grade for every day they are late, grade deductions starting immediately. Any homework assignments placed on my door during class time will be considered late. Not knowing an assignment is due or being absent from class is not an acceptable excuse.

Attendance: Attendance in the course is expected. If you have more than three unexcused absences during the semester, it will affect your final grade. Consistent attendance coupled with active participation will be rewarded and will especially affect borderline grades and pluses and minuses. If you are going to miss class for any reason, please let me know in advance so I can give you any reading and homework assignments.

Date	Day	Class Lecture		Expected coverage in class
15-Jan	T	Ch. 2	24-39	Financial securities
17-Jan	R	Ch. 2, 3	40-83	Securities trading, exchanges
22-Jan	T	Ch. 4	89-110	Investment companies, mutual funds
24-Jan	R			Characteristics, taxes, ETFs
29-Jan	T	Ch. 5	116-137	Rates of return and risk
31-Jan	R	Ch. 5, 6	137-167	Portfolios, CML, and diversification
5-Feb	T	William Chapman		Investor relations
7-Feb	R	Ch. 6	168-180	Optimal asset allocation
12-Feb	T			
14-Feb	R	EXAM 1		
19-Feb	T	Ch. 7	192-212	CAPM
21-Feb	R		212-221	Arbitrage Pricing Theory
26-Feb	T	Ch. 8	231-256	Efficient Markets
28-Feb	R	Ch. 9	262-282	Behavioral Finance
4-Mar	T			Technical analysis and charting
6-Mar	R	Ch. 12, 13	370-432	Security analysis and equity valuation
11-Mar	T	SPRING BREAK		
13-Mar	R	SPRING BREAK		
18-Mar	T			Fundamental analysis
20-Mar	R	Ch. 10	290-324	Bonds and yield curves
25-Mar	T	Ch. 11	333-357	Bond portfolios
27-Mar	R	EXAM 2		
1-Apr	T	Ch. 15	480-498	Options contracts
3-Apr	R			Options strategies
8-Apr	T	STUDENT SYMPOSIUM		
10-Apr	R	Ch. 17	552-576	Futures Markets
15-Apr	T			Hedging and speculating with futures
17-Apr	R	Ch. 18	588-614	Active Portfolio Management
22-Apr	T			
24-Apr	R	Ch. 19	621-652	Global investing
29-Apr	T			
7-May	W	FINAL EXAM: 1:30 p.m.		