



COURSE SYLLABUS – BUS 353

Investments

Spring Semester, 2019

1. COURSE INFORMATION

1.1. Instructor Information

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| Instructor: | Gary E. Mullins, Ph.D. |
| Office: | CPS 436 |
| Physical Office Hours: | M-F: 10:30 – 11:30 and Thursdays 3:30 – 4:45 or by appointment |
| Office Telephone: | (715) 346-3906 |
| E-mail: | gmullins@uwsp.edu |
| Web Page | https://www.uwsp.edu/busecon/Pages/Faculty/gmullins.aspx |
| Expected Instructor Response Time: | Approximately one business day |

1.2. Course Information

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|-------------------------------|---|
| Course Description: | Construct and manage investment portfolios to meet needs of personal and institutional investors; select securities to balance income, risk, and capital growth |
| My Course Description: | Basic investments. Topics include security markets and investors, market efficiency, indexes and averages, dividend, earnings and other models of firm valuation, the P/E ratio and investment, fundamental and technical analysis, bond characteristics and valuation, financial options portfolio analysis, and capital market theories (CAPM and APT). |
| Course Objectives | <ul style="list-style-type: none"> • To become familiar with basic investment concepts, and techniques. • To understand the objectives of financial market investors as they relate to investment decisions. • To gain basic knowledge of the financial marketplace (i.e., markets, instruments, terms, etc.). |
| Credits: | 3 |
| Prerequisites: | Successful Completion of BUS 350 – Principles of Finance |

1.3. Textbook & Course Materials

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| Required Text: | <u>Essentials of Investments</u> by Zvi Bodie, Alex Kane and Alan J. Marcus – Tenth edition, Irwin, 2017. |
| Other Required Materials / Applications: | <ul style="list-style-type: none">• A business/financial calculator capable of computing such things as present values, internal rates of return, yields to maturity and future values. Examples of good calculators are the Sharp EL-733, and the Texas Instruments BA II+. They generally can be purchased for \$20-30.• Knowledge of current financial and business environment. |
| Recommended Texts and Other Readings: | <i>The Intelligent Asset Allocator</i> by William Bernstein – Second Edition, McGraw-Hill, 2017 |

UWSP Technology Support:

The Office of Information Technology (IT) provides a Service Desk to assist students with connecting to the Campus Network, virus and spyware removal, file recovery, equipment loan, and computer repair. You can contact the Service Desk via email at techhelp@uwsp.edu or at (715) 346-4357 (HELP) or visit: <https://www.uwsp.edu/infotech/Pages/ServiceDesk/default.aspx>

2. LEARNING OUTCOMES

2.1. Course Goals

- To become familiar with basic investment concepts, and techniques.
- To understand the objectives of financial market investors as they relate to investment decisions.
- To gain basic knowledge of the financial marketplace (i.e., markets, instruments, terms, etc.).

2.2. Academic Unit

SBE Mission:

The UWSP School of Business and Economics educates and inspires students and prepares graduates for success in positions of leadership and responsibility. We serve the students, businesses, economy, and people of the greater central Wisconsin region. Our students achieve an understanding of regional opportunities that exist within the global economy. Evidence of our graduates' level of preparation will be found in their ability to:

- Analyze and solve business and economics problems
- Understand the opportunities and consequences associated with globalization
- Appreciate the importance of behaving professionally and ethically
- Communicate effectively

**Accreditation
Commitment:**

UWSP's School of Business & Economics is accredited by the Association to Advance Collegiate Schools of Business (AACSB) – one of the most prestigious accrediting organizations in the world. AACSB accreditation ensures that our business school teaches courses that are relevant to the current business environment and that our professors are highly-qualified to teach in their fields.

3. COURSE POLICIES

3.1. Attendance

Students are required to attend each class. I will be taking attendance for most classes. Each student is allowed two absences for any reason. This is in addition to the university attendance policy found on the website below. For any absence beyond the two listed above, you will lose 2.5% **per absence** on your final grade. Exceptions will be made for any documented university-sanctioned event, or serious illness.

You are expected to take the exams on the dates given. If you must miss an exam, the weight of the exam will be added to the final exam. If you must miss the final, you will receive a zero on the final.

The final is comprehensive and will be given on the date listed on **AccessPoint** – Tuesday, 5/14/2019 from 12:30 to 14:30 PM.

Please be respectful towards others in class by minimizing talking and turning off electronic devices.

3.2. Late Work

Work will not be accepted late.

3.3. Etiquette/Netiquette

We are all expected to treat others with respect and courtesy. This includes discussions in class, online or wherever they take place. Someone may say that you're wrong, but no one should be expected to be correct all the time – including me. No one may use derogatory terms for any human being, regardless of who they are.

4. GRADING

4.1. Grading Scheme

Note: For Each Hour of Class Time, I Recommend You Spend A Minimum of 2 Hours of Study Outside of Class.

Grading: Will be the higher of the following:

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|-----------|----|
| 93-100% | A |
| 89-92% | A- |
| 86-88% | B+ |
| 83-85% | B |
| 79-82% | B- |
| 76-78% | C+ |
| 73-75% | C |
| 69-72% | C- |
| 65-68% | D+ |
| 60-64% | D |
| Below 60% | F |

Your score divided by the median score times 80% and ranked on the above scale, so if you received a 60% and the class median is 50 percent, your grade would be: $60 \div 50 \times 80 = 96 \rightarrow \mathbf{A}$.

5. COURSEWORK

5.1. Exams

- Three exams, each worth 20% of your grade.
- Final exam worth 40% of your grade. The final is comprehensive and will be given on the date listed on **AccessPoint** – Tuesday, 5/14/2019 from 8:00 AM to 10:00 AM.

5.2. Assignments

There will be in-class problems and homework problems assigned during this class. Usually, I will not collect homework, but you will be called on to do in-class assignments. Credit for these assignments will be added on to your exam scores. You are expected to work on the in-class assignments **prior** to class. More information on these will be discussed later in the semester.

6. SCHEDULE

6.1. *Dates and Deadlines*

A tentative course schedule is provided below. All provided course schedules are organized by week number in accordance with the official UWSP Academic calendar. A direct link to the UWSP Academic calendar can be found here:

<https://www.uwsp.edu/acadaff/Pages/AcademicCalendar.aspx>

7. OTHER ADMINISTRATIVE DETAILS

7.1. *ADA / Equal Access for Students with Disabilities*

The American Disabilities Act (ADA) is a federal law requiring educational institutions to provide reasonable accommodations for students with disabilities. For more information about UWSP's policies, see: <https://www.uwsp.edu/datc/Pages/uw-legal-policy-info.aspx>

UW-Stevens Point will modify academic program requirements as necessary to ensure that they do not discriminate against qualified applicants or students with disabilities. The modifications should not affect the substance of educational programs or compromise academic standards; nor should they intrude upon academic freedom. Examinations or other procedures used for evaluating students' academic achievements may be adapted. The results of such evaluation must demonstrate the student's achievement in the academic activity, rather than describe his/her disability.

If modifications are required due to a disability, please inform the instructor and contact the Disability and Assistive Technology Center to complete an Accommodations Request form. The Disability and Assistive Technology Center is located on the 6th Floor of Albertson Hall. For more information, call 715-346-3365 or visit: <https://www.uwsp.edu/datc/Pages/default.aspx>

7.2. *Inclusivity/Nondiscrimination Statement*

It is the responsibility of the instructor to present materials and activities that are respectful of diversity, such that students from all diverse backgrounds and perspectives be well-served by this course. No person shall be discriminated against because of race, ethnicity, color, age, religion, creed, gender, gender identity, sexuality, disability, nationality, culture, genetic information, socioeconomic status, marital status, veteran's status, or political belief or affiliation and equal opportunity and access to facilities shall be available to all. To address concerns regarding any of these issues please call 715-346-2606 or visit:

<http://www.uwsp.edu/hr/Pages/Affirmative%20Action/About-EAA.aspx>

7.3. *Religious Beliefs Accommodation*

It is UW System policy (UWS 22) to reasonably accommodate your sincerely held religious beliefs with respect to all examinations and other academic requirements. A direct link to this policy can be found here: https://docs.legis.wisconsin.gov/code/admin_code/uws/22

7.4. Help Resources

The Tutoring and Learning Center helps with Study Skills, Writing, Technology, Math, & Science. The Tutoring and Learning Center is located at 018 Albertson Hall. For more information, call 715-346-3568 or visit: <https://www.uwsp.edu/tlc/Pages/default.aspx>

Also, you can talk to me! My office hours are from 10:30-11:30 M-F, Thursday 3:30–4:45 or by appointment. My office is CPS 436.

If you need healthcare, UWSP Student Health Service provides student-centered healthcare that empowers and promotes wellness for all UWSP students. Student Health Service is located on the 1st floor of Delzell Hall. For more information, call 715-346-4646 or visit: <http://www.uwsp.edu/stuhealth/Pages/default.aspx>

The UWSP Counseling Center is staffed with licensed mental health professionals dedicated to assisting students as they navigate difficult circumstances or resolve personal concerns. Therapy and consultation services are free of charge for registered students. The UWSP Counseling Center is located on the 3rd Floor of Delzell Hall. For more information, call 715-346-3553 or visit: <http://www.uwsp.edu/counseling/Pages/default.aspx>

In addition to the support services provided by Student Health Service and the UWSP Counseling, there are also professional support services available to students through the Dean of Students. The Office of the Dean of Students supports the campus community by reaching out and providing resources in areas where a student may be struggling or experiencing barriers to their success. Faculty and staff are asked to be proactive, supportive, and involved in facilitating the success of our students through early detection, reporting, and intervention. As such, an instructor may contact the Office of the Dean of Students if he or she senses that a student is in need of additional support beyond what the instructor is able to provide. For more additional information, please go to <http://www.uwsp.edu/dos/Pages/default.aspx>

UWSP students may also share a concern directly if they or another member of our campus community needs support, is distressed, or exhibits concerning behavior that is interfering with the academic or personal success and/or the safety of others. Please report any concerns of this nature at <https://www.uwsp.edu/dos/Pages/Anonymous-Report.aspx>

7.5. Emergency Response Guide

In the event of an emergency, follow UWSP's emergency response procedures. For details on all emergency response procedures, please go to <http://www.uwsp.edu/rmgt/Pages/em/procedures>

7.6. UWSP Community Bill of Rights and Responsibilities

UWSP values a safe, honest, respectful, and inviting learning environment. In order to ensure that each student has the opportunity to succeed, a set of expectations has been developed for all students, staff, and faculty. This set of expectations is known as the Rights and Responsibilities document, and it is intended to help establish a positive living and learning environment at UWSP. For more information, go to: <https://www.uwsp.edu/dos/Documents/UWS%2014-1.pdf>

7.7. University Attendance Policy

In addition to the course attendance policies determined by the instructor (noted above), the university provide standard guidelines by which students are to abide. All exceptions to the course attendance policy or the university guidelines should be documented in writing. A link to the university's attendance guidelines can be found at:

<https://www.uwsp.edu/regrec/Pages/Attendance-Policy.aspx>

7.8. University Drop Policy

You are expected to complete the courses for which you register. If you decide you do not want to take a course, you must follow the procedures established by the university to officially drop the course. If you never attend or stop attending a course and fail to officially drop, you will receive an F in the course at end of the semester. A link to the university's drop policy can be found at:

https://catalog.uwsp.edu/content.php?catoid=11&navoid=431&hl=add%2Fdrop&returnto=search#Drop/Add/Withdrawal_Procedures

7.9. Academic Honesty

UW System policy (UWS 14) states that students are responsible for the honest completion and representation of their work, for the appropriate citation of sources, and for respect of others' academic endeavors. Students suspected of academic misconduct will be asked to meet with the instructor to discuss the concerns. If academic misconduct is evident, procedures for determining disciplinary sanctions will be followed as outlined in UWS 14. A direct link to this policy can be found here: https://docs.legis.wisconsin.gov/code/admin_code/uws/14

7.10. Grade Reviews/Appeals

A formal grade appeal, also known as a Grade Review, can be requested in instances when the student feels that he or she was not provided a syllabus with a grading scale in a timely manner (i.e., the end of the second week of classes) and/or the instructor did not stick with the grading scale published in the syllabus. Questions of whether or not the instructor appropriately graded one or more of the course assignments, quizzes, exams, etc. are not matters to be decided by a formal grade appeal, but rather should be taken up with the instructor directly. Information on grade reviews can be found in the University Handbook, Chapter 7, Section 5. A link to the university's policies on non-academic misconduct can be found at

<https://www.uwsp.edu/acadaff/Pages/gradeReview.aspx>

7.11. Non-Academic Misconduct

Information on non-academic misconduct can be found in Chapters 17 and 18 of the Student Rights and Responsibilities Document. A link to the university's policies on non-academic misconduct can be found at <https://www.uwsp.edu/dos/Pages/stu-conduct.aspx>.

7.12. Confidentiality

Learning requires risk-taking and sharing ideas. Please keep your classmates' ideas and experiences confidential outside the classroom unless permission has been granted to share them.

It is important for students to understand that faculty are required to report any incidents of maltreatment, discrimination, self-harm, or sexual violence they become aware of, even if those incidents occurred in the past, off campus, or are disclosed as part of a class assignment. This does not mean an investigation will occur if the student does not want that, but it does allow the university to provide resources to help the student continue to be successful.

7.13. Sample Coursework Permission

The instructor may wish to use a sample of your work or some of the feedback you provide on the course in future teaching or research activities. Examples: showing students an example of a well-done assignment; analyzing student responses on a particular question; discussing teaching techniques at a conference. If your coursework or feedback is used, your identity will be concealed. If you prefer not to have your work included in any future projects, please send the instructor an e-mail indicating that you are opting out of this course feature. Otherwise, your participation in the class will be taken as consent to have portions of your coursework or feedback used for teaching or research purposes.

7.14. Revision Clause

This syllabus, the provided schedule and all information about this course are subject to change.

It is the student's responsibility to check the course website for corrections or updates to the syllabus. Any changes will be clearly noted in a course announcement or through email.

Tentative Weekly Schedule

Week 1 Syllabus Review

Introduction to Basic Mathematical Concepts: Finance Math

Investment: Background Issues

Asset Classes, Financial Markets and Instruments

Assignment: Complete Finance Math Homework, read chapter 1 and begin chapter 2.

Note: Students Are Responsible for Doing All the Problems at The End of Each Chapter. Prior To Each Class Meeting, Students Should Read the Chapter, Then Attempt to Do the Problems at The End of The Chapter. Exam Problems Will Be Very Similar to Either In-Class Problems or The Problems at The End of Each Chapter.

Week 2 Asset Classes, Financial Markets and Instruments (Continued)

Securities Markets

Assignments: Finish chapter 2 and work on in-class problems.

Week 3 Trading Securities (Continued)

Investors and Investing

Mutual Funds

Assignments: Read chapter 3 and work on in-class problems.

Week 4 Mutual Funds

Assignments: Read chapter 4.

Week 5 Bond Pricing and Yields

Mutual Funds (Continued)

Exam 1: Chapters 1-4.

Assignments: Study for Exam: Chapters 1-4 and begin chapter 10.

Week 6 Fixed Income Investments (Bonds)

Pricing

Yields and Term Structure of Interest Rates

Assignments: Finish chapter 10 and work on in-class problems.

Week 7 Equity Valuation

Assignments: Read chapter 13 and work on in-class problems.

Week 8 Exam 2: Emphasis on Chapters 10 and 13, But All Information Covered to Date Is Fair Game.

Assignments: Study chapters 10 and 13, and finish Chapter 5.

Week 9 Efficient Markets Hypothesis and implications for technical and fundamental analysis
Risk and Return

Assignments: Read Chapter 8 begin Chapter 5.

Week 10 Risk and Return

Assignments: Finish chapter 5 and work on in-class problems.

Week 11 Efficient Diversification

Assignments: Read chapter 6 and work on in-class problems.

Week 12 Capital asset pricing model

Assignments: Read chapter 7 and work on in-class problems.

Week 13 Exam 3: Emphasis on Chapters 5-8, But All Information Covered to Date Is Fair Game.

Assignments: Study chapters 5-8 for exam.

Week 14 Options Markets

Assignments: Read chapter 15 and work on in-class problems.

Week 15 Options Valuation

Assignments: Read chapter 16 and work on in-class problems.

The Final Exam Will Be Given at the Scheduled Time listed on *AccessPoint* (Tuesday, 5/14/2019 from 8:00 AM to 10:00 AM.). It Will Be an Open-Book, Open-Note Exam.

Questions Concerning Grades Should Be Brought to Me As Soon As Possible After the End of The Semester Because Exams, Answer Sheets, Etc. Will Be Thrown Away Four Weeks After the Beginning of The Next Semester.

Note: Any Item on This Syllabus Is Subject to Change at The Discretion of The Instructor with Appropriate Notification of The Class.

Investments: Class Meeting 1 Survey

Do you understand the purpose and goals of this class? If not, what didn't you understand?

Do you understand how this class will be administered? If not, what didn't you understand?

What complaints, comments or questions do you have (if any) about the organization of the class?