

COURSE SYLLABUS
SOUTHEAST MISSOURI STATE UNIVERSITY

Department of: **Economics and Finance**
Title of Course: **Investments**

Course No. **FI368**
Revision: **Spring 2012**

I. Catalog Description and Credit Hours of Course:

This course is an introduction to the theory and application of investment principles. Special attention will be given to risk-return tradeoff, market efficiency, fundamental analysis, asset allocation, security selection, and speculative investments. (3 hours)

II. Prerequisites: FI361 with an minimum grade of "C" and QM 257 with a minimum grade of "C".

III. Purposes or Objectives of Course:

A. To comprehend the fundamental investment process, the role of investment plans, key investment vehicles, and the importance of meeting liquidity needs. (*BSBA Goal: Knowledge of the fundamentals of accounting, finance, business law, MIS, marketing, management, and economics.*)

B. To gain an understanding of the financial marketplace, to study the techniques of securities analysis and selection as it applies to an asset allocation strategy. (*BSBA Goal: Application of critical thinking skills to business problems and ethical dilemmas.*)

C. To apply the concepts of risk and return in developing an investment strategy or style. (*BSBA Goal: Application of critical thinking skills to business problems and ethical dilemmas.*)

D. To introduce the techniques for building and evaluating an investment portfolio. (*BSBA Goal: Knowledge of the fundamentals of accounting, finance, business law, MIS, marketing, management, and economics.*)

E. Provide an introduction to derivative securities from both a speculative and risk management perspective. (*BSBA Goal: Knowledge of the fundamentals of accounting, finance, business law, MIS, marketing, management, and economics.*)

IV. Student Learning Outcomes

Upon completion of this course, students should be able to:

- A. Solve problems related to common stock valuation concepts and apply concepts to determine the intrinsic value of common stock using multiple valuation techniques.
- B. Solve problems related to fixed income valuations and calculate returns from fixed income investments under both passive and active strategies.
- C. Solve problems related to asset allocation models for portfolio management and calculate the expected return and standard deviation over a range of asset allocations.

V. Expectations of Students:

A. General: Each student is expected to perform professionally with reference to attendance, participation, compliance with assignments, etc. This is a professional course and requires a professional attitude on the part of the student. This means that the assigned material should be read with discrimination, intellectual curiosity, reflective thinking and critical analysis.

B. Readings: Each student is expected to have knowledge of the current economic and business environment in which will live. Students are required to keep up-to-date via their preferred media outlet (examples include: Wall Street Journal, Financial Times, Bloomberg, Yahoo Finance, CNBC, CNN etc...)

VI. Course Content or Outline:

Suggested Time In 50 Minute Periods

A. Investment Environment	3
B. Risk and Return	4
C. Modern Portfolio Concepts	4
D. Portfolio Management	6
E. Fixed Income Valuation	6
F. Equity Analysis and Valuation	9
G. Market Transactions	4
H. Derivative Securities	4
I. Exams and Other	5

TOTAL

45

VII. Text (s) or Other Required Materials or Equipment:

- A. Jordan, Fundamentals of Investing: , 6th Edition McGraw-Hill, 2012.
- B. Financial Calculator

VIII. Basis for Student Evaluation:

- A. Examinations
- B. Assignments