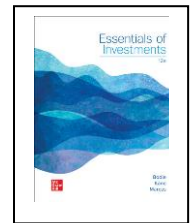




Instructor: Keunyoung (Kay) Kim, Assistant Professor of Finance
Office: Kelce 211A
Hours: M/W 9:30 am – 12:30 pm; T 10 am – noon; Th/F by appointment
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Textbook

[Required] Essentials of Investments, 12th Edition by Zvi Bodie, Alex Kane, Alan Marcus. (ISBN10: 126420602X | ISBN13: 9781264206025)



Financial Calculator

[Required] Financial Calculator is required. I would recommend the Texas Instruments (TI) BA II. I will use this calculator for all illustrations in class.

- You can use an approved calculator (HP 10B, 12C, 17B) other than TI BA II, but should make sure that your calculator has net present value (NPV) and internal rate of return (IRR) functions.
- It is your responsibility to familiarize yourself with this calculator prior to exams.

Catalog Course Description

Provides an overview of the investment decision-making process. Topics include, but are not limited to: investment objectives, investment securities, principles of valuation, trading of securities, market regulations, and portfolio theory.

Prerequisites

FIN 326 Business Finance and 55 hours completed or permission of instructor.

Course Objectives / Learning Outcomes

This course is designed to provide a broad exposure to the theory and practice of investment analysis. At the end of the semester students should be able to discuss and/or apply the following concepts:

- An overview of various types of asset classes, financial instruments, and securities markets
- The relationship between risk and return
- Portfolio selection, asset allocation, and diversification
- Portfolio theory and market efficiency
- Security valuation
- Derivative markets and risk management

Course Outline

Part 1 – Elements of investments

Chapter 1. Background

Chapter 2. Asset Classes and Financial Instruments

Chapter 3. Securities Markets

Chapter 4. Mutual Funds

Exam 1. TBD*

Part 2 – Portfolio theory

Chapter 5. Risk and Return

Chapter 6. Efficient Diversification

Chapter 7. Capital Asset Pricing and Arbitrage Pricing Theory

Chapter 8. Market Efficiency

Exam 2. TBD*

Part 3 – Debt securities and security analysis

Chapter 10. Bond Prices and Yields

Chapter 11. Managing Bond Portfolios

Chapter 13. Equity Valuation

Chapter 15. Option Markets

Final Exam December 7, 2022 (Wednesday) 2:00 – 3:15 pm. Kelce 210

*The date of exams 1 and 2 will be announced as the course progresses, but such announcement will be made at least a week ahead.

*This is a tentative outline, and the sequence of chapters and exam dates are subject to change as the semester progresses.

Teaching Methods: Lectures

Canvas

Syllabus, lecture slides, homework assignments/solutions, calculator tutorials, grades, and other course materials will be posted on Canvas. Class-related information might also be disseminated through either PSU email or announcement function on Canvas.

Attendance Policy

Students are expected to attend all classes on time. Students will need to sign in a roster besides their printed names every class (except the first week class and classes having exams). Students who miss three or fewer classes by the end of the semester can get the full points. Excused absences do not count against your credit points on attendance (see below section for excused/unexcused absences).

Please note: if the number of students who sign in the roster does not match the number of students who are present in the classroom, the WHOLE class will fail to earn the attendance points for that meeting.

- **Excused/Unexcused Absences:** whether an absence is excused or unexcused is determined solely by the instructor with the exception of absences due to religious observance, illness or officially approved trips.

Classroom Conduct

Professional behavior is expected and required during the class. Please be in the classroom punctually and avoid late arrival and early departure. You are expected to always avoid disruptions. You can bring laptop to class and use them to take notes or look up material to help your understanding of the lecture. Please avoid use of cell phone in class and refrain from using your laptops for activities that distract people around you. In addition, keeping up with homework assignments and reading assignments is essential to getting the most from this class.

Academic Integrity

All Pitt State students are bound by the academic integrity policies of the university as described and outlined in the current Syllabus Supplement. Please familiarize yourself with these rules and guidelines. In addition, as a course offered through the Kelce College of Business, students in this class are obligated to adhere to the college's Student Code of Ethics as outlined below. Students pledge to:

- Arrive on time, remain until dismissed at all class sessions, and notify instructors in advance of anticipated absences, late arrivals, or early departures whenever possible.
- Turn off cell phones or other electronic devices while in class, unless permission to use them has been granted.
- Refrain from class disturbances.
- Refrain from use of profane or vulgar language in a threatening or disruptive manner.
- Treat fellow students, staff, faculty, administrators, and property with respect.
- Refrain from giving or receiving inappropriate assistance.
- Prepare assignment and exams honestly, refraining from such unacceptable conduct as plagiarism or unacknowledged appropriation of another's work in any academic work.
- Obey the policies, regulations, and laws of the United States of America, the State of Kansas, The Kansas Board of Regents, Pittsburg State University, and the Gladys A. Kelce College of Business.

If a student observes someone committing dishonesty in connection with academic work, the student is encouraged to report that dishonesty to the appropriate individual (ex, faculty member, or administrator).

Students with Disabilities

Please inform the instructor if you have a learning or physical disability that interferes with course requirements. Assistance and/or appropriate accommodations may be available through the contacts listed on the current Syllabus Supplement (<https://www.pittstate.edu/registrar/syllabus-supplement.html>).

Course Evaluation Methods

Assignments	10 points	(10% of final grade)
Attendance	5 points	(5% of final grade)
Exam 1	25 points	(25% of final grade)
Exam 2	25 points	(25% of final grade)
Final Exam	35 points	(35% of final grade)
Total	<u>100 points</u>	

Grades are assigned as follows

90% <= A <= 100%
80% <= B < 90%
70% <= C < 80%
60% <= D < 70%
F < 60%

Assignments

- Homework is worth 10% toward the final course grade.
- Upload your homework on Canvas by due date.
- Due dates allow plenty of time for completion, so **no makeup assignments are permitted**. It is your responsibility to complete assignments by due dates. The assignments are **due by 11:59 p.m. (Central Time) on due dates.**
- This course has several homework assignments primarily in the form of problem sets. You will receive **a score of 10** if you complete all problems on a homework assignment regardless of correctness. You will get **a score of 6** for a partially completed homework. If you fail to submit homework by the due date, you will receive **a score of zero**.
- You must write up all assignments individually by **showing your understanding of the concept and logic**. If not, your work will be regarded as being partially completed.

Exams

- Please pay close attention to the exam dates. The date of exams 1 and 2 will be announced as the course progresses. It is important that you arrive on time for all exams to facilitate seating and provide sufficient time for all.
- Testing option: **Students are required to attend every exam**. I generally do not give make-up exams unless testing option has already been taken and your excuse is related to official university trip or illness. Alternatively, students that have prior engagements already scheduled on **one** (and only one) of the predetermined exam dates need to email me to

discuss their examination options. Students should only pursue these options under extraordinary circumstances, which must be approved **at least 1 week prior the examination date. A lack of preparation, or multiple exams, is not a valid reason** for requesting alternative testing options. Please note that accepting testing option implies that you also accept any differences among different class exams.

- For each individual student, the percentage of each class exam will change according to his/her testing options.
- **Final Exam: No testing option. All students should take the final exam.**
- Exams are closed-book.
- Failure to complete the exam during the dates allotted will result in a zero for the exam.
- You must bring a **valid student ID** to the exam. Failure to produce a legitimate picture ID when asked will result in your inability to take the exam.
- Scantrons are NOT provided by the instructor.
- Students need to bring an **approved financial calculator**.
- At the end of each exam, you will be instructed to stop writing. You must immediately do so or you will be in violation of testing rules. Additional time will not be granted for bubbling in answers.
- Students must comply with the following items during the exam: do not sit near acquaintances or friends, hats and visors are not permitted, cell phones or other electronic equipment are not allowed, calculators must be approved, examination area needs to be cleared of paper and books, book bags and purses should be placed near the walls of the classroom, conceal your answer sheet from those around you, keep your eyes on your own exam, do not talk during the exam, and return the exam to the instructor. Violations of these rules will result in failure of the exam, and/or course.
- I have a **zero tolerance for cheating**. Any student(s) caught cheating will have a case brought up against them.

Note

The instructor reserves the right to amend and to reorganize this syllabus at any time.