

**UNIVERSITY OF SOUTH CAROLINA – AIKEN**  
**AFIN A469 – INVESTMENT ANALYSIS & PORTFOLIO MANAGEMENT**  
**COURSE SYLLABUS SPRING, 2012, TTH 4:30-5:45**

**INSTRUCTOR:** Dr. Robert Leach

**OFFICE:** 226 Business & Education Building

**PHONE:** E-Mail: RobertL@usca.edu

**OFFICE HOURS:** **MW 4:00 – 5:00**  
**TTH 12:00 – 1:30**  
(and by appointment)

**PREREQUISITES:** C or better in ABUS 363

**CREDIT HOURS:** Three (3)

**COURSE DESCRIPTION:**

This course focuses on the valuation and use of the major investment vehicles and strategies available in capital markets today. We will consider how investors evaluate and form portfolios with instruments such as stocks, bonds, and mutual funds. The ultimate objective will be to develop a conceptual and theoretical background upon which the student can expand his or her knowledge of the field of investments.

**LEARNING OBJECTIVES:**

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

- Define risk and risk / return.
- Explain diversification and its purpose in risk management.
- Evaluate bonds.
- Calculate bond duration.
- Analyze equity investments.
- Use beta as an analysis tool.
- Explain the Efficient Market Hypothesis.
- Incorporate mutual funds in an investment portfolio.
- Perform a company analysis.

**SCHOOL OF BUSINESS ADMINISTRATION MISSION STATEMENT:**

The School of Business Administration focuses on creating a caring learning environment in its accredited undergraduate program at multiple locations. The program prepares students to successfully meet the dynamic global, technological, and ethical challenges of business and society.

**RELATIONSHIP OF COURSE TO SOBA MISSION:**

This course is required of all finance majors in business administration. It presents students with fundamental investment principles essential to understand the integration of basic investment concepts.

**REQUIRED TEXT:** Jordan, Miller and Dolvin, Fundamentals of Investments – Valuation & Management. McGraw-Hill / Irwin, 6<sup>th</sup> ed. 2012.

## COURSE REQUIREMENTS:

There will be 4 quizzes, 3 mid-term examinations, and a final examination. Each exam counts for 20 percent of the final grade, and each quiz 5 percent of the final grade. Total points earned will be converted to a letter grade based upon the following scale:

90 and above	A
88 - 89%	B+
80 - 87%	B
78 - 79%	C+
70 - 77%	C
68 - 69%	D+
60 - 67%	D
below	F

## GRADING POLICY:

### Final Grades:

Final course grades are based primarily on the objective measurement criteria outlined above; however, the ultimate determination of final grades rests with the instructor's evaluation and application of these criteria.

University policy prohibits giving an incomplete grade for failing work. **Under no circumstance will any single individual be awarded the opportunity to earn "extra credit" (e.g., write a paper, do a project, etc.) to remedy a failing or otherwise marginal grade.**

### Tentative Testing Schedule:

	<u>Date</u>
<b>Quiz 1</b>	<b>Jan. 26</b>
<b>Exam 1</b>	<b>Feb. 7</b>
<b>Quiz 2</b>	<b>Feb. 23</b>
<b>Exam 2</b>	<b>Mar. 1</b>
<b>Quiz 3</b>	<b>Mar. 20</b>
<b>Exam 3</b>	<b>Mar. 27</b>
<b>Quiz 4</b>	<b>Apr. 10</b>
<b>Final Exam</b>	<b>Apr. 26 (5:00)</b>

## POLICIES AND PROCEDURES:

1. **MATERIAL COVERAGE ON EXAMS.** Material included on exams may cover class discussions, lecture items, reading assignments, homework/other assigned material, or any other material on which the instructor believes is reasonable to request the students to demonstrate competency.
2. **STRUCTURE OF EXAMS.** The structure of each exam will include the following formats: multiple choice, essay, computational problems.
3. **PREPARATION OF EXAMS.** Unless otherwise indicated, **PENCILS** are to be used on all exams. Failure to present an essay response requiring the use of computations/graphs in a neat, well labeled, organized and professional manner will result in a substantial grade penalty.
4. **HOMEWORK ASSIGNMENTS.** Homework assignments are made for your benefit. I will attempt to cover a majority of the problems in class. You should look upon the assignments as an individual learning tool. All solutions will be provided upon request. Generally, there is a strong correlation between the time spent working on assigned homework problems and the student's final grade.
5. **MISSED EXAMS.** Students are expected to take examinations and quizzes when they are scheduled. Should a student miss a regularly scheduled examination/quiz for a legitimate reason, a make up will be permitted only in the event written documentation for the extenuating circumstance exists and that makeup must be taken before the next class meeting. In the event of one or more unexcused absence, the weight of the missed examination(s) (not quizzes) will be added to the final examination.

6. **CLASS ATTENDANCE.** The USCA School of Business attendance policy will be followed. **In this class you must attend at least 80 percent of the classes to earn credit for the class. (miss no more than 5 classes) in order to earn credit for the class – NO EXCEPTIONS.**
7. **CLASS PREPARATION.** Each student is expected to be completely prepared for each class meeting by reading and/or writing all assigned work. Each student is expected to actively participate in class discussions (where appropriate), to write all exams and to avail himself/herself of the instructor's assistance whenever necessary in order to achieve competency and understanding of the course material.
8. **SYLLABUS DATES.** The dates in the syllabus are tentative. The instructor reserves the right to alter the dates (and material coverage) indicated in the syllabus as determined by the need of material presentation and environmental circumstances. Every effort will be made to hold exams on the dates scheduled; however, verbal notification during any regularly scheduled class meeting period will constitute sufficient notification to effect such change under this syllabus.
9. **WITHDRAWAL POLICY.** "Under the course withdrawal policy, students may withdraw from a course until the withdrawal deadline and the mark of 'W' will be assigned. Students are required to check with their instructor and obtain the instructor's signature on the withdrawal form. No withdrawals will be permitted after the course withdrawal deadline. It is the student's responsibility to withdraw from the course or stay in for a grade." **THE LAST DAY TO WITHDRAW IS MARCH 2.**
10. **STUDENT DISABILITY.** If you have a physical, psychological, and/or learning disability which might affect your performance in this class, please contact the Office of Disability Services, 126A B&E, 803) 641-3609, as soon as possible. The Disability Services Office will determine appropriate accommodations based on medical documentation.

#### **TENTATIVE COURSE OUTLINE:**

Concept (Concept Questions); Q&P (Questions and Problems)

Chapter 1: Brief History of Risk and Return (Concept 2, 4, 5, 9,10; Q&P 1, 2, 5-9)

Lecture Review of Time-Value Concepts

Chapter 10: Bond Prices and Yields (Concept 1-10; Q&P 1, 3, 5, 6, 9-12, 14, 15, 18-21)

Chapter 18: Corporate Bonds (Concept 1-7; Q&P 1, 3, 4, 7, 8, 10)

Chapter 5: The Stock Market (Concept 1, 3-6; Q&P 4, 5)

Chapter 6: Common Stock Valuation (Concept 1-10; Q&P 1-19)

Chapter 17: Projecting Cash Flows and Earnings

Chapter 11: Diversification and Risky Asset Allocation (Concept 2-5; Q&P 1, 2)

Chapter 12: Return, Risk, and the Security Market Line (Concept 1-3; Q&P 5-9)

Chapter 2: Buying and Selling Securities (Concept 1-3, 10; Q&P 1-3, 6)

Chapter 3: Overview of Security Types (Concept 1-4; Q&P 1, 2)

Chapter 4: Mutual Funds (Concept 1-3; Q&P 1, 2)