

FINA 4320 – Investment Management Spring 2015 (Sections 11878 and 21265)

Instructor: Tom Rourke
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Class Times & Location: Section 11878 - 1:00 P.M. – 2:30 P.M. MW @ MH138
Section 21265 - 2:30 P.M. – 4:00 P.M. MW @ MH138

Office Hours: 12:00 P.M. – 1:00 P.M. MW, and by appointment

Course Description

This course focuses on the principles of modern investment theory and practice from the perspective of an individual investor or portfolio manager. Topics to be covered include an introduction to the investment environment (i.e., the different types of securities available for trade and the markets these securities are traded in); the tradeoff between risk and return, and how risk aversion dictates an optimal portfolio of investments for a given investor; the Capital Asset Pricing Model, arbitrage, and market efficiency; and the basics of bond and stock valuation.

Much of the material in this course is fairly quantitative in nature and, furthermore, relies on a solid understanding of the Time Value of Money and basic statistics.

Course Prerequisites

FINA 3332, ECON 2304, and DISC 3331

Course Text and Suggested References

1. Essentials of Investments, 9th ed., by Bodie, Kane, and Marcus
2. The Wall Street Journal, Barron's, Business Week, etc.
3. Any occasional readings (i.e., newspaper articles, etc.) I may hand out in class.

Course Policies, Evaluation, and Grades

If you are registered for Section 11878, then you are registered for a class that meets from 1:00 P.M. to 2:30 P.M. on Mondays and Wednesdays. You do not have the option to attend lectures or take exams with the class that meets from 2:30 P.M. to 4:00 P.M. on Mondays and Wednesdays.

If you are registered for Section 21265, then you are registered for a class that meets from 2:30 P.M. to 4:00 P.M. on Mondays and Wednesdays. You do not have the option to attend lectures or take exams with the class that meets from 1:00 P.M. to 2:30 P.M. on Mondays and Wednesdays.

In the event that you miss a class meeting, it is your responsibility to obtain a copy of any class notes or handouts from a classmate.

Grading will be based on homework assignments that will collectively be worth 10 points total, two in-class **closed book/closed notes** exams worth 28 points each, and a comprehensive **closed book/closed notes** final exam worth 34 points, for a combined total of 100 points.

Final course letter grades will be assigned according as follows:

90 – 92:	A-,	93 – 100:	A		
80 – 82:	B-,	83 – 86:	B,	87 – 89:	B+,
70 – 72:	C-,	73 – 76:	C,	77 – 79:	C+,
60 – 62:	D-,	63 – 66:	D,	67 – 69:	D+,
		0 – 59:	F		

No late homework assignments will be accepted.

No make-up exams will be permitted.

You will not be permitted to use any electronic devices other than a calculator during exams (i.e., no cell phones, iPhones, iPads, laptops, etc.).

Academic Honesty

The University of Houston's definitions and policies on Academic Honesty will be enforced in this class. Details on these definitions and policies can be found on the University of Houston website under "Policies > Academic Regulations > Academic Honesty."

Information for Students with Disabilities

The Justin Dart Center for Students with Disabilities provides a wide variety of accommodations and support to students who have temporary or permanent health impairments, physical limitations, psychiatric disorders, or learning disabilities.

If you feel that you may need assistance of this nature for this course, you may wish to contact the Center to make appropriate arrangements. Please visit www.uh.edu/csd or call (713) 743-5000 for further details. In addition, please inform me about any special needs I can assist you with *as soon as possible*.

FINA 4320 – Investment Management
Tentative Course Outline – Spring 2015 (Sections 11878 and 21265)

meeting	wkday	date	topic	reading
1	W	21-Jan	Investments	Chapter 1
2	M	26-Jan		
3	W	28-Jan	Asset Classes and Financial Instruments	Chapter 2
4	M	2-Feb		
5	W	4-Feb	Securities Markets	Chapter 3
6	M	9-Feb		
7	W	11-Feb	Mutual Funds and Other Investment Companies	Chapter 4
8	M	16-Feb		
9	W	18-Feb	Exam 1	
10	M	23-Feb	Risk and Return	Chapter 5
11	W	25-Feb		
12	M	2-Mar	Efficient Diversification	Chapter 6
13	W	4-Mar		
14	M	9-Mar		
15	W	11-Mar		
	M	16-Mar	Spring Break	
	W	18-Mar	Spring Break	
16	M	23-Mar	Capital Asset Pricing and Arbitrage Pricing Theory	Chapter 7
17	W	25-Mar		
18	M	30-Mar		
19	W	1-Apr	Exam 2	
20	M	6-Apr	Bond Prices and Yields, Interest Rate Risk	Chapters 10, 11.1
21	W	8-Apr		
22	M	13-Apr		
23	W	15-Apr	Equity Valuation	Chapter 13
24	M	20-Apr		
25	W	22-Apr		
26	M	27-Apr	The Efficient Markets Hypothesis/Behavioral Finance and Technical Analysis	Chapters 8 & 9
27	W	29-Apr		
28	M	4-May		
	W	13-May	Section 11878 - Final Exam (2:00 P.M. – 5:00 P.M.)	
	F	8-May	Section 21265 - Final Exam (2:00 P.M. – 5:00 P.M.)	