

FINA4323

Investment and Mutual Fund Managements

Summer 2017

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Textbook: **Investments: Principles of Portfolio and Equity Analysis**

Michael McMillan, Jerald E. Pinto, Wendy L. Pirie, Gerhard Van de Venter,

Lawrence E. Kochard (Foreword by)

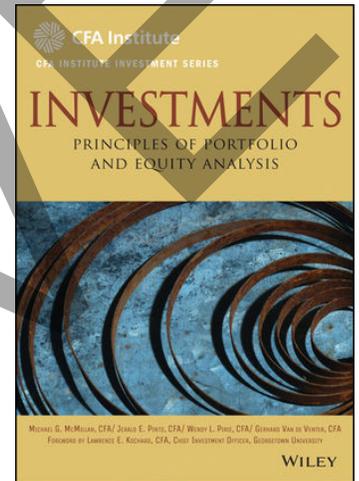
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4th Edition

656 pages

February 2011



Textbook can be purchased from bookstore or the publisher. The e-Book version is acceptable.

Course Descriptions and Objectives

The primary goal of this course is to introduce students to fund analysis, portfolio selection, and portfolio performance evaluation techniques as well as to discuss the environment in which these processes take place. Students should be able to walk out of the class able to evaluate funds individually as well as from the portfolio perspective. Upon completion students should be able to effectively construct and evaluate their own portfolios, whether it's their first job's 401(k) or other savings goals. As such, the course will focus on conceptual and practical issues related to constructing and evaluating the performance of managed portfolios and the selection of securities to add or remove from those portfolios. Topics to be covered include fundamental vs. technical analysis, growth vs. value characteristics of asset classes, and top down vs. bottom up valuation approaches. Students will be charged with analyzing portfolios and securities in a systematic manner and forming real world opinions about them. This course will demonstrate the integration of theory and empirical evidence for the goal of non-academic applications.

The secondary goal of the course to familiarize students with the language that analysts and portfolio managers use in evaluating funds and portfolios as well as the ability to assess how current events in the world affect markets and investments. To accomplish this goal, students will be tasked with evaluating and forming justifiable opinions about how various economic indicators and current events have an impact on the securities and portfolios they are studying.

Textbook and Course Material

- **Lecture Notes:** PowerPoint
- **Required Textbook:**
 1. *Investments: Principles of Portfolio and Equity Analysis* by McMillian, Pinto, Pirie, and Van De Venter
- **Additional Readings**
 - Mostly short articles from the Wall Street Journal and other specialized publications, related to the course will be assigned and posted on the course website as the course progresses.
 - Students are required to purchase a subscription to the Wall Street Journal and read regularly (but not during class!) Many graded assignments will be based off articles in the journal. The Journal offers a student rate of 15 weeks for \$15 (as of June 1st, 2017), which will be sufficient for the class.
- **Practice Problems**
 - For every chapter covered in the course, each class will have a textbook or web based workshop aimed to enhance your understanding of key concepts.

Class Format and Preparation: In class I will make use of Power Point slides that will be available on blackboard. You should read the assigned readings (see Class Schedule) and download the slides from the Web prior to each class. As a result of your preparation, you are expected to be prepared with questions and participate in the discussion. Preparations is important to create a classroom environment of exchange. Class sessions will be geared toward clarifying and expanding upon the concepts presented in the textbook and in the lecture notes. Several examples discussed in class will rely on spreadsheet and/or Web based data sources, so a laptop or tablet should be brought to class.

Homework & Quizzes: To enhance your understanding of key concepts, you will have homework assigned after every class with the answers and explanations provided on Blackboard. At the beginning of the following class, there will be an opportunity for students to seek clarification on difficult concepts. Homework will not be graded. There will be pop quizzes in some of the classes directly after reviewing the homework assignment. Understanding and completion of the assigned homework will be the best preparation for the quizzes. (15-20 minutes, closed book and closed notes, a calculator and double sided 8.15x11 sheet allowed.)

Exams: There will be one comprehensive exams and it will be open book and open notes. Portions of the exam will necessitate the use of an Excel spreadsheet.

Class Participation: Positive contribution to class discussion is encouraged and rewarded. Negative contribution (e.g. repeated tardiness, web surfing, distracting and/or unprofessional behavior) will, also, score appropriately.

Group Presentations:

Many projects of the class will involve students acting as analysts for a hypothetical “investment committee”. This will involve research involving fundamental analysis, portfolio performance, economic indicators, and current events to the class. Grading on these assignments will include an element of subjectivity based on instructor and peer perception, so impress! As stated, your peers will also rate and review the presentations to give additional feedback. As a portion of your grade will be impacted by your peers—make sure they understand the concept you are presenting and learn something!

Details about the group projects expectations will be given on the first day of class, with supplemental information and examples provided in the lecture PowerPoints.

Grading Policy:

If you wish to be an A performer then do the things an A performer does.

Exam 1	30%
Quizzes	25%
Group Presentations – Macro Update	15%
Group Presentations – Current Events	15%
Group Presentations – Portfolio Analysis	15%

A	95%+
A-	90%+
B+	85%+
B-	80%+
C+	75%+
C-	70%+
D+	65%+
D-	60%+
F	<60%

Pre-Semester Activities:

Read Investments: Principles of Portfolio and Equity Analysis Ch 1 Sect 1-5, 7, 9-11

Create a name tent showing the name you wish to be called. You will have this in front of you during every class.

Review the functions for Time Value of Money in your financial calculator. We will be using Financial Calculators.

This is a Finance class so bring your calculators and laptop to every class.