Course: BUS355.01 INVESTMENT ANALYSIS

Semester: Spring 2014

Instructor: Prof. Nugent

Instructor Contact Information: Phone 631-632-7478 Office 315 Harriman Hall

Meeting Time: Mo/We 11:30AM - 12:50AM , Harriman Hall 104

Location: Harriman Hall Room 104

Course Description:

The theoretical and empirical study of financial markets. Topics include portfolio selection, asset pricing, market efficiency, evaluation of fixed income securities, options, pricing. Prerequisites: BUS 330; BUS or ECO or ISE major 3 credits

Course Overview:

This course will emphasize the application of analytical methods to actual securities. A basic background in accounting and investments is also expected. Course work will include projects and assignments, which will require some familiarity with Microsoft windows and Microsoft office, particularly a basic understanding of how to utilize an excel spreadsheet. In addition, class members will need to acquire skills in using Internet search engines, particularly yahoo finance, to gather needed information for course projects and assignments.

Required Texts & Other Course Materials:

TEXTBOOK:

Required TEXTBOOK:

FUND. OF INVESTING (LOOSELEAF)-W/ACCESS, Author: GITMAN, Publisher: PEARSON, Edition: 12TH 14


NOTE: YOU will need the My Finance Lab Access Card for the textbook "Fundamentals of Investing" It comes with the looseleaf book sold at the campus bookstore.

Student Learning Outcomes
College of Business Program Learning Outcomes

Critical Thinking,
Business Knowledge,
Analytical Decision Making

Course Specific Learning Outcomes

This course will introduce the student to the world of investments. The course will focus on individual rather than corporate investment decision-making. This course will focus on stock and bond investing. The course will cover the mechanics of buying and selling securities, efficient market theory, portfolios and diversification, stock valuation, and international investing.

1. Explain and apply basic concepts of finance.
2. Analyze and interpret financial data.
3. Demonstrate knowledge of investment management.

The goal of this course is for each student to develop a thorough understanding of investments. The requirements for this course provide the opportunity to learn how to make rational investment decisions.

The specific Learning objectives of this course are for each student to be able to analyze the various investment vehicles such as:

1. Common stock,
2. Fixed income securities (e.g., bonds and preferred stock),
3. Options.

It's my personal objectives to help student become a prudent investor able to:

1. Develop a broad relationship or model, which explains worth or value,
2. Find the input information needed to calculate value, and
3. Be able to determine the strengths and weaknesses of each valuation approach.
Course Requirements & Grading Information:

GRADING:

Test One: 60 Points
Test Two: 60 Points
Final: 130 Points
Stock Trading Competition: 40 Points
Homework: 110 Points
Total: 400 Points

1. No makeup exams unless student has a documented medical or legal excuse.

2. No Late assignments will be accepted.

Grades: Points (Divide your total points by 4) to letters.

- 94.01 - 100 A
- 90.01 - 94 A-
- 87.01 - 90 B+
- 84.01 - 87 B
- 80.01 - 84 B-
- 77.01 - 80 C+
- 74.01 - 77 C
- 70.01 - 74 C-
- 67.01 - 70 D+
- 64.01 - 67 D
- 0 - 64 F

Academic Integrity: Each student must pursue his or her academic goals honestly and be personally accountable for all submitted work. Representing another person's work as your own is always wrong. Faculty is required to report any suspected instances of academic dishonesty to the Academic Judiciary. For more comprehensive information on academic integrity, including categories of academic dishonesty please refer to the academic judiciary website at http://www.stonybrook.edu/uaa/academicjudiciary/
**Academic Dishonesty:**

The College of Business regards any act of academic dishonesty as a major violation punishable by severe penalties, including dismissal from the University. University policy requires that instructors and GAs and TAs report all suspected cases of academic dishonesty to the appropriate Academic Judiciary Committee, which is empowered to take strong action against violators. Under no circumstances will the College of Business permit cheating of any kind. Many activities constitute academic dishonesty. The following list is not inclusive, only suggestive:

- Cheating on exams or assignments by the use of books, electronic devices, notes, or other aids when these are not permitted, or by copying from another student.
- Collusion: two or more students helping one another on an exam or assignment when it is not permitted.
- Ringers: taking an exam for someone else, or permitting someone else to take one's exam. Submitting the same paper in more than one course without permission of the instructors.
- Plagiarizing: copying someone else's writing or paraphrasing it too closely, even if it constitutes only some of your written assignment.
- Submitting the same paper in more than one course without approval of the instructors.
- Falsifying documents or records related to credit, grades, status (e.g., adds and drops, P/NC grading), or other academic matters.
- Altering an exam or paper after it has been graded in order to request a grade change.
- Stealing, concealing, destroying, or inappropriately modifying classroom or other instructional material, such as posted exams, library materials, laboratory supplies, or computer programs.
- Preventing relevant material from being subjected to academic evaluation.

**Americans with Disabilities Act:**

If you have a physical, psychological, medical, or learning disability that may impact your course work, please contact Disability Support Services at (631) 632-6748. They will determine with you what accommodations are necessary and appropriate. All information and documentation is confidential.

Students who require assistance during emergency evacuation are encouraged to discuss their needs with their professors and Disability Support Services. For procedures and information go to the following website: [http://www.sunysb.edu/ehs/fire/disabilities.shtml](http://www.sunysb.edu/ehs/fire/disabilities.shtml)

**Critical Incident Management:**

Stony Brook University expects students to respect the rights, privileges, and property of other people. Faculty are required to report to the Office of University Community Standards any disruptive behavior that interrupts their ability to teach, compromises the safety of the learning environment, or inhibits students' ability to learn. Faculty in the HSC Schools and the School of Medicine are required to follow their school-specific procedures. Further information about most academic matters can be found in the Undergraduate Bulletin, the Undergraduate Class Schedule, and the Faculty-Employee Handbook.

**Blackboard:** *(This section is optional)*
You can access class information on-line at: http://blackboard.sunysb.edu. If you have used Stony Brook's Blackboard system previously, your login information (Username and Password) has not changed. If you have never used Stony Brook's Blackboard system, your initial password is your SOLAR ID# and your username is the same as your Stony Brook (sparky) username, which is generally your first initial and the first 7 letters of your last name.

If you are having trouble logging into Blackboard, you will need to log into SOLAR to verify your Net ID username & set your Net ID Security Question and Password. For more information, visit: http://clientsupport.stonybrook.edu/

If you are a student and continue to have a problem logging into Blackboard, you will need to bring photo ID to either the Melville Library SINC Site Room S1460 or the Union SINC Site Room 080 and speak to a Blackboard Administrator from Saturday - Friday from 9 am - 5 pm.

**Class Schedule and Assignments**

**CLASS SCHEDULE**

Week 1  Class Overview & Chapter 1: The Investment Environment

Week 2  Chapter 2: Markets and Transactions

Week 3  Chapter 3: Investment Information and Securities

Week 4  Chapter 4: Return and Risk

Week 5  Chapter 5: Modern Portfolio Concepts

Week 6  Test One: March 5th (Test Covers Chapters 1,2,3,4) Online 10AM-2PM

Week 7  Chapter 6: Common Stocks

Week 8  Chapter 7: Analyzing Common Stocks

Week 9  Chapter 8: Stock Valuation

Week 10 Test Two April 9th (Test Covers Chapters 5,6,7) Online 10AM-2PM

Week 11 Chapter 9: Technical Analysis, Market Efficiency,

Week 12 Chapter 12: Mutual Funds: Professionally Managed,

Week 13 Chapter 14: Options: Puts and Calls

Week 14 Chapter 14, and Final Review

Final Exam  TBD Sometime between: TUE 5/13—Wed 5/21 (final is cumulative)

**Assessment of student work**
The instructional format includes lecture sessions; class projects, assignments and articles. The financial press will form the basis for some of the class discussions. Active participation in discussions is a course expectation.

These objectives will be achieved successfully by utilizing a combination of resources, including:

1. Textbook's
2. Internet and Simulations
3. Lectures
4. Current "Real World" market case studies and examples.
5. Homework assignments
6. Examinations

STUDENT RESPONSIBILITIES

1. You are required to attend each class regularly.
2. You are expected to do all the reading and assigned problems as assigned for each class session.
3. There will be no make up for Mid Term or Final examinations, except for documented emergencies.
4. You should be conversant with current business and financial news and prepared to discuss events in class.
5. Each student is expected to participate in class discussions.
6. You will be required to complete the problem sets, which will be assigned in class. No problem set will be accepted after the due dates.
7. A minimum of 5-7 hours per week should be allowed for class preparation.