# INVESTMENTS

# FINA 3331

**COVID-19**

**Due to the COVID-19 Pandemic, the course delivery method, structure and testing may change substantially. A substantial portion of the course may be offered online to facilitate remote learning and social distancing. In addition, tests may be administered online and proctored via Examity, WebEx or Zoom.**

**It is important that you immediately obtain WiFi access capable of running WebEx and Zoom software with sufficient bandwidth for video streaming. If this is not possible for you, please contact me immediately to work out another solution.**

**University Rules for class attendance**

**Please familiarize yourself with the new university rules regarding social distancing and personal protective equipment such as face coverings for class. They are found at the following links**

[**https://www.tamucc.edu/fall-2020/face-coverings-faq/**](https://www.tamucc.edu/fall-2020/face-coverings-faq/)

**[https://academicaffairs.tamucc.edu/rules\_procedures/assets/34.99.99.c0.02\_use\_of\_face\_coverings.pdf](https://nam12.safelinks.protection.outlook.com/?url=https%3A%2F%2Facademicaffairs.tamucc.edu%2Frules_procedures%2Fassets%2F34.99.99.c0.02_use_of_face_coverings.pdf&data=02%7C01%7CSwint.Friday%40tamucc.edu%7Cfd96c6d2d7da42e9be4d08d835917fc0%7C34cbfaf167a64781a9ca514eb2550b66%7C0%7C0%7C637318246307803287&sdata=t%2Fgy1Ly7PwzZHa%2B9hAGgak%2BMvYPHw2l3p3rJXTu%2BI3k%3D&reserved=0" \o "Original URL: https://academicaffairs.tamucc.edu/rules_procedures/assets/34.99.99.c0.02_use_of_face_coverings.pdf. Click or tap if you trust this link." \t "_blank)**

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| FINA 3310 | Professor H. Swint Friday, PhD., CFP. |
| Office - 350 | **Cell: 979-476-9901** |
| Office Hours: TR 1:40-2:50 & 4:05-6:55 |  |
| E-Mail: Swint.Friday@tamucc.edu | **eNest Egg: Nhieu.Bo@enestegg.us** |

**Course Description:**

Framework of financial markets, valuation of the firm, security analysis, investment equity versus debt, efficiency of market evaluation, diversification efforts, investment goals, and portfolio selection.

**Prerequisites:**

MATH 1325 or equivalent, ACCT 2301, ACCT 2302, and Junior standing or above.

**Required Materials:**

* Textbook**: Investments: Analysis and Management (ISBN**: 9781118975589) by Charles P. Jones and Gerald R. Jensen, 13th edition; Publisher: Wiley
* **Website Access**
	+ - eNest Egg Simulation (ISBN: 978-1-946007-01-8): [http://friday.enestegg.org](http://friday.enestegg.org/) (Access card available at bookstore)
		- Blackboard: https://bb9.tamucc.edu/webapps/login/
		- <http://faculty.tamucc.edu/sfriday/wordpress/>(Course materials and assigned articles)
* Texas Instrument’s BA II Plus or similar financial calculator without memory
* Laptop/desktop computer or tablet availability to access course materials

**Learning Objectives:**

By the end of this course, the students will be able to:

* Learn the basic financial concepts involved in investment management.
* Understand the processes involved in investment management.
* Learn how to calculate investment return with both arithmetic and geometric means.
* Calculate the present value of future cash flows.
* Learn how to calculate the risk of an investment.
* Learn how to calculate the selling price of stocks and bonds.

**Important Notice:**

*Course may require the use of virtual exam proctoring involving third party providers. Exam-proctoring charges may range from $1-$50.00 per exam. When virtual exam proctoring is used, students must schedule the exam session by the required scheduling deadline or they may incur late scheduling charges. All costs for exams are the responsibility of the student. Students may also be responsible for providing at their expense computer, internet and webcam access necessary for the virtual exam proctoring.*

**State Adopted Proficiencies/TExES competencies (COE)**

**Course Policies**

**Academic Honesty, Ethical Behavior, Integrity and Plagiarism**.

University students are expected to conduct themselves in accordance with the highest standards of academic honesty. Academic misconduct for which a student is subject to penalty includes all forms of cheating, such as illicit possession of examinations or examination materials, falsification, forgery, complicity or plagiarism. (Plagiarism is the presentation of the work of another as one’s own work.) In this class, academic misconduct or complicity in an act of academic misconduct on an assignment or test will result in FAILURE and Censure.

This course, and all other courses offered by the College of Business (COB), also requires all of its students to abide by the COB Student Code of Ethics (available online at www.cob.tamucc.edu) Provisions and stipulations in the code are applicable to all students taking College of Business courses regardless of whether or not they are pursuing a degree awarded by the COB.

**Assurance of Academic Integrity**

Students may be asked to redo any portion of the class assignments and exams in a proctored environment

which may employ the use of a webcam. Should the grade be more than one letter grade lower than the original grade, no credit will be given for the work and the grade for the audited work will be replaced with the score of the comprehensive final exam, which will then be given in a proctored location. Should the final exam be audited, the lower grade will count in calculating the course grade.

**Dropping a Class**

I hope that you never find it necessary to drop this or any other class. However, events can sometimes occur that make dropping a course necessary or wise. Please consult with me before you decide to drop to be sure it is the best thing to do. Should dropping the course be the best course of action, you must initiate the process to drop the course by going to the Student Services Center and filling out a course drop form. Just stopping attendance and participation WILL NOT automatically result in your being dropped from the class. See the University Academic Calendar for the last day to drop the course with a “W” this term.

**Preferred methods of scholarly citations-** APA/MLA

**Classroom/professional behavior**

Texas A&M University-Corpus Christi, as an academic community, requires that each individual respect the needs of others to study and learn in a peaceful atmosphere. Under Article III of the Student Code of Conduct, classroom behavior that interferes with either (a) the instructor’s ability to conduct the class or (b) the ability of other students to profit from the instructional program may be considered a breach of the peace and is subject to disciplinary sanction outlined in article VII of the Student Code of Conduct. Students engaging in unacceptable behavior may be instructed to leave the classroom. This prohibition applies to all instructional forums, including classrooms, electronic classrooms, labs, discussion groups, field trips, etc.

**Grade Appeals\***

As stated in University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures, a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, equitable evaluation procedures, or appropriate grading, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the process and the number of days allowed for completing the steps in the process, see University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures. These documents are accessible through the University Rules Web site at:

[http://www.tamucc.edu/provost/university\_rules/index.html.](http://www.tamucc.edu/provost/university_rules/index.html)

For assistance and/or guidance in the grade appeal process, students may contact the Dean’s office in the college in which the course is taught or the Office of the Provost

**Disabilities Accommodations\***

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please call or visit Disability Services at (361) 825-5816 in Corpus Christi Hall 116.

If you are a returning veteran and are experiencing cognitive and/or physical access issues in the classroom or on campus, please contact the Disability Services office for assistance at (361) 825-5816.

**Statement of Academic Continuity**

In the event of an unforeseen adverse event, such as a major hurricane and classes could not be held on the campus of Texas A&M University–Corpus Christi; this course would continue through the use of Blackboard and/or email. In addition, the syllabus and class activities may be modified to allow continuation of the course. Ideally, University facilities (i.e., emails, web sites, and Blackboard) will be operational within two days of the closing of the physical campus. However, students need to make certain that the course instructor has a primary and a secondary means of contacting each student.

**Relationship to Other Coursework:**

This course introduces investment management issues that complement the broader financial management issues discussed in FINA 3310. **This course is a prerequisite to Portfolio Theory and Security Analysis (FINA 4332).** An understanding of the investment concepts is also useful for related Finance concepts including Corporate Finance (FINA 3310, FINA 4310), International Finance (FINA 4315), and, Financial Statement Analysis (FINA 4334).

**Instructional Methodologies:**

Instructional techniques may include lectures, student presentations, invited lectures, videotape, computer applications, class discussion, real-time securities trading, and use of electronic databases.

**Performance Evaluation, Grading and Course Policies:**

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| **Grades will be assigned the following point levels:\*** |
| Exam 1  | 100 |
| Exam 2  | 100 |
| Exam 3  | 100 |
| Exam 4  | 100 |
| Exercises, Participation, and Quizzes  | 100 |
| e-Nest Egg Financial Simulation | 100 |
| Total points awarded in the course | 600 |
| \*Extra credit and bonus points are added onto the total points.  |

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| **The standard alphabetical grading scale is employed:** |
| A 90% and above (540 points)  |  |
| B 80% to 89% (480 to 539 points) | D 60% to 69% (360 to 419 points) |
| C 70% to 79% (420 to 479 points) | F 0% to 59% (0 to 359 points) |

Test materials come from lecture notes, the text, assigned readings, homework assignments, and class discussion. Test format is multiple choice, multi-part problem solving, and discussion. Questions will emphasize understanding and application of concepts and topics covered.

Test dates are announced one week prior to the exam date. Due to the large numbers of students I teach, no early or make-up exams are administered. If you must miss an exam, notify me in advance and provide comprehensive documentation from the appropriate entity within one week of the exam that the absence was an excused University activity, severe illness, or emergency. If these conditions are met, you will take a cumulative final exam to replace the exam you missed. Otherwise, you receive a zero for the exam. Assignments are due at the beginning of the class on their due date. Late assignments are penalized 20 percentage points for each business day that they are late.

I expect everyone to follow all rules of common courtesy during classroom lecture. The presence of cell phones and pagers or any other disruptive items or actions are prohibited in the classroom. If a pattern of disruptive behavior persists, action will be taken to have the disruptive party removed from the course.

**Oral and Written Communication Requirements**

Students are required to prepare formal written oral assignments. Effective written communication is also necessary for exams. Students are expected to participate actively in class discussion of the topics and issues covered in the course, and will be rewarded though their class participation grade for doing so.

**Technological Applications:**

Students are required to use computer applications, computer databases, and online information services for this course. Written presentations must be prepared with word processing software and the use of computer graphics and computer-based visuals is encouraged.

**Ethical Perspectives:**

The Investment topic revolves around money and the fiduciary responsibilities of managing investor assets. Securities analysis and trading may present ethical problems for both dealers and investors. While this course does not deal with securities law in depth, we will discuss such topics as insider trading securities manipulation and fiduciary responsibilities.

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**Global, Regulatory, Environmental and Social Perspectives:**

This course considers international diversification, foreign equity, debt and derivative markets as well as foreign currency and international risk management. The course will consider the structure, laws and regulation of financial markets and economic systems.

**Attendance Policy:**

Attendance is required and is reflected in the student’s participation grade. Every student is responsible for their homework assignments, lecture notes, handouts, and exams. Excuses are not accepted unless a student gains prior permission for missing a class, assignment, or exam. Gaining class notes for missed classes from other students is encouraged. The student is responsible for collecting all handouts and assignments from the professor for all classes that are missed. Excessive absences will result in lower grades.

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| **Course Outline** |
| **Coverage Start Date** | **Chapter**  | **Content** | **Hours** |
|  | ***PART I: Background*** |  |  |
| Thursday, August 20, 20 | 1 | Understanding Investments | 1.50 |
| Thursday, August 27, 20 | 2 | Investment Alternatives | 1.50 |
| Thursday, August 27, 20 | 3 | Indirect Investing | 3.00 |
| Thursday, September 3, 20 | 4 | Securities Markets and Market Indices | 1.50 |
| Thursday, September 3, 20 | 5 | How Securities are Traded | 1.50 |
| **Sunday, September 13, 20** | **Study** | **Exam 1** | **1.50** |
|  | ***PART II: Portfolio and Capital Market Theory*** |  |
| Thursday, September 10, 20 | 6 | The Returns and Risks from Investing | 3.00 |
| Thursday, September 17, 20 | 7 | Portfolio Theory | 3.00 |
| Thursday, September 17, 20 | 8 | Portfolio Selection and Asset Allocation | 3.00 |
| Thursday, September 24, 20 | 9 | Capital Market Theory and Asset Pricing Models | 1.50 |
| **Sunday, October 4, 20** | **Study** | **Exam 2** | **1.50** |
|  | ***PART III: Common Stock: Analysis, Valuation and Management*** |
| Thursday, October 1, 20 | 10 | Common Stock Valuation | 3.00 |
| Thursday, October 8, 20 | 12 | Market Efficiency | 1.50 |
|  | ***PART IV: Fixed Income: Analysis, Valuation and Management*** |
| Thursday, October 15, 20 | 17 | Bond Yields and Prices | 3.00 |
| **Sunday, October 25, 20** | **Study** | **Exam 3** | **1.50** |
|  | ***PART V: Derivative Securities*** |  |
| Thursday, October 22, 20 | 19 | Options  | 3.00 |
| Thursday, October 29, 20 | 20 | Futures Contracts | 3.00 |
|  | ***PART V:I Investment Management*** |  |
| Thursday, November 5, 20 | 21 | Managing Your Financial Assets | 1.50 |
| **Sunday, November 15, 20** | **Study** | **Exam 4** | **3.00** |

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| **eNest Egg Simulation\*\*\*** |  |  |
| **Due Date** |  | **Assignment Coverage** |
| Thursday, September 3, 20 |  | Registration |
| Thursday, September 10, 20 |  | Training, Training +, and Practice |
| Thursday, September 17, 20 |  | Long-term Investments |
| Thursday, September 24, 20 |  | Short-term Investments |
| Thursday, October 1, 20 |  | Good & Ideal Algorithm  |
| Thursday, October 8, 20 |  | Quality  |
| Thursday, October 15, 20 |  | Practice Test 1 |
| Thursday, October 22, 20 |  | Insurance |
| Thursday, October 29, 20 |  | Loans  |
| Thursday, November 12, 20 |   | Practice Test 2 |
| \*\*\* All dates subject to change |  |  |
| **FALL 2020 Academic Calendar - Updated** |
| **Monday, August 17, 20** | Faculty Start Date |
| **Wednesday, August 19, 20** | Classes begin Regular Fall & 1st 7-week session |
| **Wednesday, August 26, 20** | Last day to late register or add a class |
| **Thursday, September 3, 20** | 12th Class Day Census |
| **Monday, September 7, 20** | Labor Day Holiday- Campus Closed |
| **Tuesday, September 15, 20** | Last day to drop for the 1st 7-week session |
| **Wednesday, October 7, 20** | Last day of classes for 1st 7-week session and final exams |
| **Thursday, October 8, 20** | First day of classes for 2nd 7-week session |
| **Monday, October 12, 20** | Grades due for 1st 7-week session |
| **October 14-28, 20** | Mid-Term Grading |
| **Tuesday, November 3, 20** | Last day to drop a class in the 2nd 7-week session |
| **Thursday, November 5, 20** | Last day to drop a class in the full term |
| **Thursday, November 12, 20** | Last day to apply for December graduation |
| **Tuesday, November 24, 20** | Last day of classes Regular Fall & 2nd 7-week session |
| Final Exams 2nd 7-week session |
| **Wednesday, November 25, 20** | Reading Day- No Class |
| **November 26-27, 20** | Thanksgiving Holiday- Campus Closed |
| **Monday, November 30, 20** | Reading Day- No Class |
| **December 1-5, 20** | Final Examinations |
| **Monday, December 7, 20** |
| **December 8-11, 20** | Grading days |
| **Saturday, December 12, 20** | Fall Commencement |
| **Monday, December 14, 20** | Fall grades due at noon |
| **December 24, 20- January 1, 21** | Winter Break- Campus Closed |
| NOTE: Dates of holidays are tentative, pending approval by The Texas A&M University System Board |
| of Regents. For the latest information on dates and deadlines, please consult the appropriate class |
| schedule. |  |