University of Bridgeport
School of Business

Fin 321
Investment Analysis
Spring 2014
Course Syllabus

Class Schedule:	1/21/2014 - 5/8/2014
Meeting Days/Time:	Tuesday and Thursday 4:30pm to 5:45pm
Class Location:	Mandeville Room #3
Instructor:	Gew-rae Kim, Ph.D.
Department:	Finance
Office:	Mandeville Hall - Room 6
Phone:	203-576-4372
E-Mail	gewraek@bridgeport.edu KimGewrae@aya.yale.edu
Office Hours:	Tu 1:00 - 2:30 & Th 1:00 - 2:30 or by appointment
Mailing Address:	School of Business 230 Park Avenue University of Bridgeport Bridgeport, CT 06604

Course Materials

Required Materials:

1. Class Notepak
2. Class Handouts

Recommended Reading

Wall Street Journal & Barron's
Investment: McGraw-Hill Irwin by Bodie, Kane and Markus
Advanced Modeling in Finance Using Excel VBA: Jackson, John Wiley ISBN: 0-471-49922
Building Financial Models: John S. Tjia, McGrawHill ISBN: 0-07-140210-1
Tomorrow Gold: Asia Age of Discovery, CLSA Ltd. By Marc Faber

A. General Course Information

1. Course Description

This course is intended to provide a practical and theoretical market valuation-oriented framework for analyzing financial decision problems faced by Investors. Lectures and readings will provide an introduction to ***Markowitz*** diversification concept, *Portfolio Analysis*, *Capital Asset Pricing Model*(CAPM), *Arbitrage Pricing Theory* (APT).

And the newly developed Derivative Securities, like *Interest Rate* ***Swap***, ***Options*** and ***Futures***, including Stocks and Fixed Income Securities and related Computer topics. This course also deals several case studies on ***Derivative Securities***. This course also will cover topics on Financial Engineering for the new ***financial innovations***.

2. Intended Audience

Undergraduate Students at the University of Bridgeport

3. Course Objective

This course will deliver the basic concept of securities, including stocks, bond, futures, swaps, and options, their valuation techniques, strategies using derivatives. By doing so, students will be familiarized with new derivatives and strategies and be ready to analyze and manage any risks in financial investments decision making.

This course makes students understand basic concepts of investment securities and strategies and how to use it. How to manage their risk, eventually develop and learn tools for Risk Control ways in finance. They will also learn value the securities including derivatives correctly to apply to various financial decision making to evaluate any financial claim. Various strategies to manage risk and to get risk arbitrages will be introduced and student will have a practice with real-world data. By the end of this course, students will be able to value various kinds of options and design their own option strategies including arbitrage strategies.

B. Prerequisite

Basic Introduction to Finance and Basic knowledge and understanding of Present Value and Future Value of Money.

C. Mode of Instruction

Lecture and classroom problem solving. Assignments and Exam will be based problem solving technique.

D. Student Responsibilities

1. Academic Honesty Standards.

It is the students responsibility to familiarize himself or herself with and adhere to the standards set forth in the policies on cheating and plagiarism as defined in Chapter 2 and 5 of the Key to UB http://www.bridgeport.edu/pages/2623.asp or the appropriate graduate program handbook.

2. Class participation.

Students are expected to arrive for class on time and participate in assigned classroom activities.

3. Assignments.

Assignments will be given as the course material is presented.

4. Instructions for Assignments and Papers.

All assignments and papers must be presented in neat manner and may be hand written or computer generated and submitted by emails.

5. Late Work.

Late work without good reason will be penalized..

6. Study Hours.

Students should plan to spend at least two hours of independent study for each hour of class lectures.

7. Electronic Devices.

Laptop computers are welcome and recommended. Cell phones may not be used and must be turned off while in class.

8. Integrity.

Cheating, plagiarism and unauthorized collaboration may result in a grade of F for the course.

E. Grading

Grade Breakdown

Homework:	15%
Class Participation and Attendance:	10%
Midterm:	25%
Final:	50%

Grading Scale:

90 - 100	A
80 - 89	B
70 - 79	C
60 - 69	D
Below 60	F

Topic

Topic Description

1	Expected Return and Risk of Securities
2	Security Markets and Companies
3	Options and Futures Valuation and Applications
4	Fixed Income Securities and Sub-Prime Crisis
5	Mutual Funds and Hedge Funds
6	Duration and Bond Valuation
7	Stock Valuation and Analysis
8	Spot and Forward Rates and SWAP
9	Diversification and Portfolio Theory by Markowitz
10	Capital Asset Pricing Model(CAPM) by Sharpe
11	Arbitrage Pricing Theory(APT) by Ross
12	Futures: Backwardation, Contango, Basis Risk
13	Asset Allocation
14	Performance Evaluation: Sharpe`s Alpha...
15	SWAP: Basis, Credit Quality Swap
16	Technical Analysis
17	Structured Security: Leveraged ETF, ELKS, PEPS
18	Hedge Ratios, Optimal and Min-Variance Portfolio