

Course Description/Objective:

Introduction to basic investment principles, including markets, stocks (a.k.a. equities), bonds (a.k.a. fixed-income debt investments), mutual funds (a.k.a. investment companies), insurance products, interpretation of financial statements and other financial data and information, brokerage accounts, and the relationship of economic and political conditions to investing.

Course Content:

Investment environments, risks and returns, mutual funds, stocks, bonds, markets and transactions, investment strategies and tools, portfolio management and asset allocation, options and futures contracts, real estate and other investments.

Course Materials:

Required: **Fundamentals of Investing** by Jordan & Miller, 6th (or 5th or 4th) edition, McGraw-Hill
Notebook, **Calculator** (not your *#@% in' cell phone!), Dedication, Organization, Motivation, Hard work, Jokes

Attendance and Lateness:

Do not miss class! Your grade depends on it. *Do not come late to lecture!* It is disrespectful to your fellow students. Come early and make friends. You will need them. *You are responsible for all information covered in class.* This is **not** a valid excuse: *"But I was absent that class."* Attendance and lateness are graded. Please see the *Attendance Assignment* for further details. (In essence, attendance and lateness count for approximately one exam. *Do not miss class! Do not come late!*)

Grading:

The course grade will be based upon class participation, homework and individual and group assignments, short quizzes, exams, and a comprehensive final examination. The required format and documentation will be defined by the instructor. All work will be graded and returned as quickly as possible. *Any work turned in after its due date will be automatically penalized at least ten percent unless prior consent of the instructor is obtained.* Any work which is deemed to be plagiarized will result in an automatic zero for that work and possible disciplinary action as outlined in the Student Handbook. It is great to work in teams but *do your own work!* Grades will be assigned as follows:

- A – 90% of all possible assignment, short quiz, exam, attendance, and participation points
- B – 80%
- C – 70%
- D – 60%
- F – less than 60%

Time Requirements:

The Southwestern College catalog indicates that for every one college unit, two hours should be set aside for homework. Therefore, you should plan to spend approximately six hours per week for homework. The actual time spent varies from individual to individual. The best rule of thumb is to set aside *one hour each day* for Introduction to Investments. Do not procrastinate and try to do all the reading and work on one day. That is not learning. Learning needs repetition.

Accommodations:

Southwestern College recommends that students with disabilities discuss academic accommodations with their professors during the first two weeks of class. An alternative format of this syllabus is available upon request.

Academic Success Center Referral

To further your success, reinforce concepts, and achieve the stated learning objectives for this course, I refer you to the Academic Success Center learning assistance services. Upon request for tutorial services, you will be automatically enrolled in NC 3, Supervised Tutoring, a free non-credit course that does not appear on your transcripts. Services are located in the ASC (420), the Writing Center (420D), the Reading Center (420), Math Center (426), the Library/LRC Interdisciplinary Tutoring Lab, MESA, specialized on-campus school tutoring labs, the HEC, and the SYEC. Online learning materials and Online Writing Lab (OWL) are available at www.swccd.edu/~asc.

Instructor Availability:

Office: 210F
Office hours: Monday & Wednesday 11:30 a.m. to 12:20 p.m.
Tuesday & Thursday 1:30 p.m. to 2:20 p.m.
Thursday 2:30 p.m. to 3:20 p.m.

Work phone: 619-421-6700x5692
Home phone: 619-223-5264 (emergency – not after 8:30 p.m. please)
Web site: **www.WonderProfessor.com**, E-mail: fpaiano@swccd.edu

Or simply make an appointment!

Student Learning Objectives:

Students will be able to create a portfolio of five to twenty stocks and explain their rationales for making their choices. Students will be able to calculate at least 10 financial statistics about two individual companies and then compare and contrast the two individual companies resulting in a recommendation to choose one company for their portfolio.

Instructor: Frank Paiano
Spring 2013

BUS-123-01
Introduction to Investments

Name: _____
Course Schedule

The following course schedule is subject to change as the course progresses. If you have any suggestions about the course material, please feel free to tell me personally or interject them into the classroom discussion. We will attempt to cover all this material but our emphasis is always placed on everyone understanding and using what is covered. However, I will make every attempt to satisfy those students who are anxious to move ahead on their own with extra assignments. ***If you get behind, please contact me or come see me for extra assistance in my office.***

Wk	Dates	Topics	Chap	Exam
1	Jan 15, 17	Part 1: Introduction – Introductions & Welcome; Getting Started A Brief History of Risk and Return	1	
2	Jan 22, 24	Security Types – Overview of Financial Investments Short-term Securities	3 lecture	
3	Jan 29, 31	Mutual Funds	4	
4	Feb 5, 7	Mutual Funds (<i>continued</i>)	4	
5	Feb 12, 14	Part 2: Stock Markets The Stock Market	5	#1*
6	Feb 19, 21	The Stock Market (<i>continued</i>)	5	
7	Feb 26, 28	Common Stock Valuations – Present Value	6	
8	Mar 5, 7	Projecting Cash Flow and Earnings (Ratio Analysis)	17	#2*
9	Mar 12, 14	Stock Price Behavior and Market Efficiency	7	
10	Mar 19, 21	Behavioral Finance and the Psychology of Investing	8	
11	Apr 2, 4	Part 3: Bonds – Interest Rates and Bond Valuation Interest Rates (Introduction to Bonds)	9	#3*
12	Apr 9, 11	Corporate Bonds Government Bonds Mortgage-Backed Securities	18 19 20	
13	Apr 16, 18	Bond Prices and Yields (Bond Valuation) Hybrid Securities (Preferred Stock & Convertible Securities)	10 lecture	
14	Apr 23, 25	Part 4: Portfolio Management Diversification and Asset Allocation (Mutual Funds Revisited)	11	
15	Apr 30, May 2	Parts 5 & 6: Futures and Options / Topics in Investments Stock Options (a.k.a. Options Contracts) Futures Contracts	15 14	#4*
16	May 7, 9	Margin Accounts and Shorting (Buying & Selling Securities) Brokerage Accounts	2	
17	May 14, 16	Review / Catch-up; Your choice of topics (real estate, annuities, etc.)	lecture	
18	May 23	Final Exam: Thursday, May 23 rd , 8:00 a.m. to 10:00 a.m. – <i>Note day & time!</i>		Final

* Always check www.WonderProfessor.com for date of next exam.