

Week #13 – Continuing Bonds and Starting Hybrid Securities (*Snore...*)

So how are bonds coming along? Real exciting stuff, huh? (Yeah, right...) Have you started on chapter 10, Bond Yields and Pricing, yet? There you will find some calculations, including some present value calculations that are very similar to something that you have already seen, the chapter 6 present value calculations. It is pretty exciting stuff, after all! There are commentaries and answer keys for the worksheets on the class web page.

The material for hybrid securities, preferred stock and convertible securities, (parts of chapter 18 but mostly lecture notes) is also available. When you finish with the bond yields and pricing calculations, please get started on this section this week. They are a very small part of the investing universe and the calculations are extremely easy (as well as the assignment – easiest 5 points all semester!). Please use the bond discussion forum for your questions on hybrid securities as well as bonds. The forum dedicated to bonds and hybrid securities is called *The Bond Beanery*. You can post your questions anonymously.

Please remember that there is a text book in the library that you can read in the library and that you can always submit your assignments, even if they are late. There will be a penalty for submitting them late, but it is worth your while. I was surprised when one of the students this week told me that they just learned that there is feedback on all the assignments that you submit. Yikes! I just assumed everyone knew that about Blackboard. My apologies. *Please* check the feedback on your assignments. Often, there will be an opportunity to resubmit the assignment for further credit. You don't want to miss out on the opportunity to get further credit, right?

Next week, we will get started on chapter 11, Asset Allocation. Here is where we will look back upon our studies of stocks, bonds, and mutual funds, and tie them all together. Our next exam (#4) will then be available the week after next. It will cover bonds, hybrid securities, and asset allocation.

I do so hope that you are enjoying your studies about investments. Keep Up The Great Work! Don't Give Up! ***Never*** Give Up!

Sincerely,

Frank Paiano

P.S. Finish chapter 9 if you have not done so already and get started on chapter 10, Bond Yields and Pricing. Next we will cover chapter 18, Hybrid Securities, and chapter 11, Asset Allocation. In two weeks, we will have exam #4 on bonds (chapters 9 & 10), hybrid securities (chapter 18), and asset allocation (chapter 11).