

Syllabus
Topics: Fundamentals of Investing & Financial Planning - FINA 6342 - 01I & 02I
Fall Semester, 2018

Instructor: Dr. Binay K Adhikari
Class Meeting Times: T 7:20 - 9:50 pm, *Sec. 01I* in EEDUC 1.404 & *Sec. 02I* in BLHSB 1.312 via ITV
Student Hours: Tuesdays and Thursdays from 3.00 pm to 4.30 pm. I look forward to seeing you during student (office) hours. Appointments are always welcome.
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Prerequisites: Twelve hours of graduate coursework.

Course Description in Brief: This course provides a board overview of fundamental concepts in investments and some basic tools for financial planning. Emphasis will be on understanding and applying investing principles in real world situations often using spreadsheets. This is a higher level elective class, so it will involve independent and often unstructured learning.

Learning Objectives: Upon the completion of this course, students will understand some basic investment concepts such as the functioning of financial markets, asset classes, risks, returns, asset allocations, portfolio diversification, investment performance evaluations. The students will be able to apply these concepts and other tools for personal financial planning purposes.

Course Materials: Required Textbook: *Essentials of Investments* 10th Edition by Bodie, Kane and Marcus. Publisher: McGraw-Hill. You also need to access McGraw-Hill *Connect*, which accompanies this book. I will also provide additional handouts and spreadsheets.

A financial calculator is required. You **cannot share calculators** or **use smartphones** during exams. If you do not bring a calculator to the exam, you will have to work without one.

Attendance: Please attend all scheduled classes. You may be dropped from the course for excessive absences. UTRGV's attendance policy excuses students from attending class if they are participating in officially sponsored university activities, such as athletics; for observance of religious holy days; or for military service. Please contact me in advance of the excused absence and arrange to make up missed work or examinations. You will be rewarded for regular attendance (see the grading policies).

Grading Policies

At the end of the semester, the weighted average of points accumulated by a student will determine that student's grade for the course:

A \geq 90.0, B 80.0 – 89.9, C 70.0 – 79.9, D 60.0 – 69.9, F \leq 59.9

Zero absences: 2 extra points on your final grade; One absence: 1 extra point; Two absences: 0.5 extra point; three or more absences: 0 extra point.

Exams and Grading: We will have three in-class exams, one comprehensive final exam, and several out-of-class assignments. Following is the breakdown of grades:

- | | |
|---------------------------------|--|
| 1. Two Midterm Exams | 40% (The better of two 30%, worse 10%) |
| 2. One Comprehensive Final Exam | 25% |

3. *Quizzes/Assignments/Homework/Projects* 30%
 4. *Active Class Participation*¹ 5%

All in class exams and the final exam are ***closed-notes and closed-book***. Assignments will be available through Blackboard®.

1. Please note that for the multiple-choice questions, ***the machine-graded scores will be final***. In other words, make sure that you shade only the bubbles you intend as your answer; if you change an answer, erase the “old” answer cleanly and completely.
2. Please turn off your cell-phones before the exam begins. If you must leave your cell-phone/pager on due to an emergency, let me know of this ahead of time.
3. Except for medical emergencies, ***restroom breaks are not permitted***.
4. The use of notes, textbooks, and dictionaries are prohibited during exams. If there is a word on an exam that you do not understand, you may ask me. I will not, however, explain words that are parts of definitions.

Make-up Policy:

1. If you miss any exam, be prepared to provide appropriate documentation of an “excused absence” to get a make-up exam. Examples of appropriate documents include official memorandums or letters, doctor’s notes, hospital admission papers, obituaries, death certificates, police accident reports, and tickets.
2. An “excused absence” is defined as absence due to university-recognized activities. Religious holidays, court appearances other than jury duty, illness that requires the care of a licensed physician (routine medical or dental appointments are not valid excuses), serious illness or death of a member of the immediate family, or other events to be determined on a case-by-case basis. ***Car problems and job-related excuses (such as change of work schedule, meetings, training, travel, etc.) are NOT excused absences.***

Tentative Class Schedule (Everything on this syllabus is subject to and likely to change):

Date	Day	Topic	Chapter in the text book
8/28/2018	T	Asset Classes and Financial Instruments; Returns, Portfolios, and Indices.	BKM 1–3
9/4/2018	T	Financial Markets and Trading of Securities; Buying on Margin and Short Selling Financial Crisis & Mortgage Backed Securities	BKM 1–3
9/11/2018	T	Mutual Funds, Exchange Traded Funds and Other Investment Companies	BKM 4
9/18/2018	T	Risk & Return Probability Distributions, Return Distribution, Parameter Estimators, Investments over the Long Term - Effects of Inflation and Taxes on Returns,	BKM 5
9/25/2018	T	Portfolio Theory, Asset Allocation, Diversification and its Limits	BKM 6.1–6.4
10/2/2018	T	Factor Models, Uses of Asset Pricing Models, Financial Market Equilibrium, the Capital Asset Pricing Model (CAPM)	BKM 6, 7

¹ “Dear Students, I know when you are texting in class. Seriously, no one looks down at their crotch and smiles” - Anonymous

10/9/2018	T	Exam 1 Review / Exam 1	
10/16/2018	T	Investment Industry & Performance Evaluation Background on Mutual Funds,	BKM 4, 18
		Performance Evaluation, Performance Decomposition	
10/23/2018	T	Fixed Income – Introduction Bond Terminology, Prices, Discounts, and Interest Rates, Yield-to-Maturity,	BKM 10
		Term Structure of Interest Rates	
10/30/2018	T	Fixed Income – Bond Portfolio Management	BKM 11
		Interest Rate Sensitivity, Duration and Convexity	
11/6/2018	T	Derivatives – Option Markets Types of Derivatives,	BKM 15
		Option Contracts, Payoffs, Strategies, Put-Call Parity	
11/13/2018	T	Topics on Financial Planning: Savings for retirement, Savings for education	Handouts
11/20/2018	T	Exam 2	
11/27/2018	T	Topics on Financial Planning: Home financing, refinancing, buy vs. lease	Handouts
12/4/2018	T	Final Exam Review /Possible Presentations	
12/11/2018	T	Final Exam 8:00 PM-9:45 PM	Comprehensive

Calendar of Activities: Some important dates for fall 2018 include:

August 27	First day of classes
August 30	Last day to add a course or register for fall 2018
September 3	Labor Day – NO classes
November 14	Last day to drop a course; will count toward the 6-drop rule
November 22 - 24	Thanksgiving Holiday – NO classes
December 6	Study Day – NO classes
December 7 - 13	Final Exams
December 14 – 15	Commencement Exercises

Students with Disabilities: Students with a documented disability (physical, psychological, learning, or other disability which affects academic performance) who would like to receive academic accommodations should contact **Student Accessibility Services (SAS)** as soon as possible to schedule an appointment to initiate services. Accommodations can be arranged through SAS at any time, but are not retroactive. Students who suffer a broken bone, severe injury or undergo surgery during the semester are eligible for temporary services.

Pregnancy, Pregnancy-related, and Parenting Accommodations

Title IX of the Education Amendments of 1972 prohibits sex discrimination, which includes discrimination based on pregnancy, marital status, or parental status. Students seeking accommodations related to pregnancy, pregnancy-related condition, or parenting (reasonably immediate postpartum period) are encouraged to contact Student Accessibility Services for additional information and to request accommodations.

Student Accessibility Services:

Brownsville Campus: Student Accessibility Services is located in Cortez Hall Room 129 and can be contacted by phone at (956) 882-7374 (Voice) or via email at ability@utrgv.edu. **Edinburg Campus:** Student Accessibility Services is located in 108 University Center and can be contacted by phone at (956) 665-7005 (Voice), (956) 665-3840 (Fax), or via email at ability@utrgv.edu.

Mandatory Course Evaluation Period: Students are required to complete an ONLINE evaluation of this course, accessed through your UTRGV account (<http://my.utrgv.edu>); you will be contacted through email with further instructions. Students who complete their evaluations will have priority access to their grades. Online evaluations will be available on or about:

Module 1	October 4 – 10
Module 2	November 29 – December 5
Full Fall Semester	November 15 – December 5

Sexual Harassment, Discrimination, and Violence: In accordance with UT System regulations, your instructor is a “Responsible Employee” for reporting purposes under Title IX regulations and so must report any instance, occurring during a student’s time in college, of sexual assault, stalking, dating violence, domestic violence, or sexual harassment about which she/he becomes aware during this course through writing, discussion, or personal disclosure. More information can be found at www.utrgv.edu/equity, including confidential resources available on campus. The faculty and staff of UTRGV actively strive to provide a learning, working, and living environment that promotes personal integrity, civility, and mutual respect that is free from sexual misconduct and discrimination.

Course Drops: According to UTRGV policy, students may drop any class without penalty earning a grade of DR until the official drop date. Following that date, students must be assigned a letter grade and can no longer drop the class. Students considering dropping the class should be aware of the “3-peat rule” and the “6-drop” rule so they can recognize how dropped classes may affect their academic success. The 6-drop rule refers to Texas law that dictates that undergraduate students may not drop more than six courses during their undergraduate career. Courses dropped at other Texas public higher education institutions will count toward the six-course drop limit. The 3-peat rule refers to additional fees charged to students who take the same class for the third time.

Scholastic Integrity: As members of a community dedicated to Honesty, Integrity and Respect, students are reminded that those who engage in scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and expulsion from the University. Scholastic dishonesty includes but is not limited to: cheating, plagiarism (including self-plagiarism), and collusion; submission for credit of any work or materials that are attributable in whole or in part to another person; taking an examination for another person; any act designed to give unfair advantage to a student; or the attempt to commit such acts. Since scholastic dishonesty harms the individual, all students and the integrity of the University, policies on scholastic dishonesty will be strictly enforced (Board of Regents Rules and Regulations and UTRGV Academic Integrity Guidelines). All scholastic dishonesty incidents will be reported to the Dean of Students.

Student Services: Students who demonstrate financial need have a variety of options when it comes to paying for college costs, such as scholarships, grants, loans and work-study. Students should visit the Students Services Center (U Central) for additional information. U Central is located in BMAIN 1.100 (Brownsville) or ESSBL 1.145 (Edinburg) or can be reached by email (ucentral@utrgv.edu) or telephone: (888) 882-4026. In addition to financial aid, U Central can assist students with registration and admissions.

Students seeking academic help in their studies can use university resources in addition to an instructor’s office hours. University Resources include the Learning Center, Writing Center, Advising Center and Career Center. The centers provide services such as tutoring, writing help, critical thinking, study skills, degree planning, and student employment. Locations are:

- Learning center: BSTUN 2.10 (Brownsville) or ELCTR 100 (Edinburg)

- Writing center: BLIBR 3.206 (Brownsville) or ESTAC 3.119 (Edinburg)
- Advising center: BMAIN 1.400 (Brownsville) or ESWKH 101 (Edinburg)
- Career center: BCRTZ 129 (Brownsville) or ESSBL 2.101 (Edinburg)

The Robert C. Vackar College of Business Entrepreneurship has adopted the following learning goals and objectives that each student should achieve while in the MBA degree program. Not all goals and objectives are covered in each course; however, all goals and objectives should be addressed throughout the degree program.

MBA Learning Goals	This course contributes to the following College of Business and Entrepreneurship learning goals:	How measured
Demonstrate collaborative and leadership skills as related to a global business environment.	<input type="checkbox"/>	
Show effective writing and oral skills at a level appropriate for business executives.	X	Verbal defense and writing for investment class project.
Aware of and classify ethical issues and behaviors.	<input type="checkbox"/>	
Apply analytical techniques and quantitative analysis for effective decision making in various functional areas.	X	Homework assignment for each chapter is related to decision-making using quantitative methods.

Our mission is to be the agent of innovation, knowledge discovery, and economic development in South Texas, Northern Mexico, and beyond, by offering a rigorous curriculum informed by experiential learning, high quality research, and community partnerships. Your mastery of these learning goals and objectives help us to achieve this mission.

Learn, enjoy and be happy. You'll do great! ☺