

University of Indianapolis  
School of Business  
Summer 2009

Instructor: Kent Deeter, CFA  
kdeeter@uindy.edu  
692-7073

MBA 681-50  
Investments  
Course Syllabus

**Course Description:**

Over an investment cycle, market participants focus on a variety of indicators that often fade in importance over time. Whole industries have been built around analysis of the Federal Reserve, currency fluctuations, and technicals. The goal of this course is to equip the student with in-depth knowledge of the **fundamentals** of evaluating securities and markets. These fundamentals can be utilized in a variety of economic environments and across a variety of asset classes.

**Objectives:**

By the end of the course, the student should be able to:

- Value equities, fixed income securities, and derivatives.
- Explain the risk-reward tradeoff and efficient frontier.
- Explain modern portfolio theory.
- Be able to create a portfolio based on investment guidelines.
- Understand how to trade securities.
- Understand the importance of regulation, fiduciary responsibility, and ethics.

**Course Material:**

- The textbook for this course is Investments by Bodie, Kane & Marcus, 8<sup>th</sup> edition.
- Each student will also be required to provide an Email account and have access to the Internet and the Wall Street Journal.
- Each class will begin with a discussion of the most important events impacting the markets. Students will be expected to participate in discussing current financial events.

**Assignments:**

Chapter problems: Problems from each textbook will be assigned each week.

Topical paragraphs: Each week, the student will be expected to choose two questions from a list of five provided by the instructor and write a paragraph on each. If students wish to answer more than two questions, that would be considered extra credit.

For instance, a choice of questions might be:

1. What is the 'Bloomberg' and why is it important?
2. What is the CaseShiller Index?
3. Why are the rating agencies important?
4. What is a Structured Investment Vehicle?
5. Is Jim Cramer a nut or a prophet?

**Class project:** Each student will be managing a virtual portfolio on-line Virtual Stock Exchange or equivalent. Students will be required to sign up and select five securities by the second class: a stock, a bond, a commodity, a call or put option, and a currency. We will track the performance of each portfolio. By the end of the semester, the student will turn in a paper analyzing their portfolio performance utilizing the fundamentals investment concepts learned in the course.

**Grading:**

Homework/Class Participation: 25%

Mid-term and Final Exam: 50%

Class Project: 25%

**Grading Scale:**

A = 90%-100%

B = 80%-89%

C = 70%-79%

F = 0-69%

Professor discretion on pluses and minuses

<u>Date</u>	<u>Lecture Topic</u>	<u>Assignments</u>
05/13	Topical Discussion Chapters 1-4 Invest. Basics	Portfolio Selection BKM - TBA Paragraph questions
05/20	Topical Discussion Chapters 5, 6 Portfolio Theory	BKM - TBA Paragraph questions
05/27	Topical Discussion Chapters 7, 8 Portfolio Theory	BKM - TBA Paragraph questions
06/03	Topical Discussion Chapters 9, 10 CAPM	BKM - TBA Paragraph questions
06/10	Topical Discussion Chapters 11-13 Efficient Markets	BKM - TBA Paragraph questions
06/17	Mid-Term Exam	
06/24	Topical Discussion Chapters 14-16 Fixed Income	BKM - TBA Paragraph questions

07/01	Topical Discussion Chapters 17-19 Equities	BKM - TBA Paragraph questions
07/08	Topical Discussion Chapters 20-21 Options	BKM - TBA Paragraph questions
07/15	Topical Discussion Chapters 22-23 Futures	BKM - TBA Paragraph questions
07/22	Topical Discussion Chapters 24-26 Performance Eval. Project Due	BKM - TBA Paragraph questions
07/29	Final Exam	