

Investment Management MBAD-6153
Wednesday Evenings – 5:30-8:15PM - Fall 2009

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Office hours: I encourage you to meet with me, by appointment, to discuss the course or other areas of interest. We can meet after class or at other times which are mutually available.

Textbooks: *Investments*, Bodie, Kane, & Marcus, 8th edition,
ISBN: 0-07-338237-X
This is the book that is used by many MBA programs and has come to be the standard for investments courses throughout the world. There is a lot of material packed in this book with both basic and more advanced concepts explained

The Psychology of Investing, John Nofsinger, Prentice Hall, 3rd edition
ISBN: 978-0132302340
This little book has some thoughtful and informative ideas regarding the relatively nascent behavioral finance field. At worst, this book may make you reflect on your own personal investing strategy...at best, you'll develop additional insights into the dynamics of the market (both rational and irrational influences). This book is available at Amazon.com for \$34(new-paperback) or at the Char-Meck public library.

Readings: I will distribute readings/cases in class to further our discussions.

Objectives: In this course we will discuss methods and techniques for determining the value of assets, most especially the publicly traded securities issued by firms. We will also explore the underlying theory of portfolio management including the use of derivatives as risk mitigants. We will accomplish this by absorbing the material in our texts, but also by introducing outside viewpoints in our program.

Participation: Your participation will improve the experience for yourself and others in the class. You'll need to have a name tag on your desk throughout the semester. Come December, if I don't know your name...there is a problem with participation.

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.

Assignments and Grading:

You will be graded on a variety of tasks; in-class tests, out-of-class technical assignment, group presentations, and case analysis. You will be awarded a grade based on your performance on all activities.

I follow a scale of: 90-100 A
 80-89 B
 70-79 C, etc.

'Psychology of Investing' Presentations (2 @ 50) - Group	100 points
Reading Presentations (2 @ 50)- Group	100 points
Midterm - Individual	100 points
Case Analyses (2 @ 50 each) - Group	100 points
Project Assignments (2 @ 50) - Individual	100 points
Class Participation (my assessment and your group's)	50 points
Final Exam - Individual	200 points
Total	750 points

Typical Evening Schedule

Headline Events, Administrative Issues – 10 minutes
Group presents Psychology of Investing – 10 minutes
Group presents Reading – 15 minutes
Re-cap presentations & previous class – 10 minutes
Lecture 1 – 30 minutes
Problems and break – 20 minutes
Review problems – 10 minutes
Lecture 2 – 60 minutes
Problem assignment and dismiss

I will try to leave a few minutes at the conclusion of class for you to gather with your group to discuss upcoming assignments. You will need to have Excel skills, have a financial calculator (with an ability to master the machine), and come to class prepared for the evening in order to get the most out of this experience—we move fast, don't get left behind!!

I strongly urge you to have access to either print or electronic copy of the Wall Street Journal, Barron's, Financial Times, The Economist, or other financially-oriented periodical.

The small print: It should go without saying, but you are expected to conduct your work as a community of scholars. That includes following both the UNC Charlotte Code of Student Academic Integrity as well as business expectations regarding work quality and integrity. As advanced notice, I do not appreciate it when students are late for class or when associates are late for my meetings. If you cannot join the class at the appointed start time, you will need to either rearrange your work schedule to accommodate a 5:30 start time or switch into another course to avoid an adverse impact on your course grade.

Tentative Course Schedule

Aug 26	Introduction, The Investment Environment, Markets & Instruments, How Securities are Traded	BKM 1-3
Sep 2	Statistics of Investments, Risk and Risk Aversion	BKM 5 & 6
Sep 9	Statistics of Investments, Risk and Risk Aversion (cont) & Assign Case 1 Nofsinger Ch. 1 Presentation & Reading 1 Presentation	BKM 5 & 6, Case 1 Nofsinger 1
Sep 16	Optimal Risky Portfolio Nofsinger Ch. 2 Presentation & Reading 2 Presentation	BKM 7, Nofsinger 2
Sep 23	Optimal Risky Portfolios & Index Models & Case 1 Due & Assign Project 1 Nofsinger Ch. 3 Presentation & Reading 3 Presentation	BKM 7 & 8 Nofsinger 3
Sep 30	Capital Asset Pricing Model Nofsinger Ch. 4 Presentation & Reading 4 Presentation	BKM 9 Nofsinger 4
Oct 7	Single Index and Multifactor Models & Project 1 Due Nofsinger Ch. 5 Presentation & Reading 5 Presentation Review BKM Chapters 1-10 (excl. 4), In-Class Problems	BKM 10 Nofsinger 5
Oct 14	Midterm Exam	BKM 1-10, Case 1 Nofsinger 1-5
Oct 21	Financial Statement Analysis & Efficient Market Hypothesis Nofsinger Ch. 6 Presentation & Reading 6 Presentation	BKM 19, 11 Nofsinger 6
Oct 28	Empirical Evidence on Security Returns & Assign Case 2 Nofsinger Ch. 7 Presentation & Reading 7 Presentation	BKM 13 Nofsinger 7
Nov 4	Bond Prices and Yields Nofsinger Ch. 8 Presentation & Reading 8 Presentation	BKM 14 Nofsinger 8
Nov 11	The Term Structure of Interest Rates & Case 2 Due & Assign Project 2 Nofsinger Chapter 9 Presentation & Reading 9 Presentation	BKM 15 Nofsinger 9
Nov 18	Fixed-Income Portfolio Management Nofsinger Ch. 10 Presentation & Reading 10 Presentation	BKM 16 Nofsinger 10
Nov 25	Thanksgiving Break – No Class	
Dec 2	Equity Valuation Models	BKM 18
Dec 9	Equity Valuation Models & Project 2 Due Course Wrap-Up - Evaluations	BKM 18
Dec 16	Final Exam (5:00 – 7:45)	BKM 1-11, 13-16, 18, 19 Nofsinger 1-10