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**Instructor:** Chintal A. Desai    email: cdesai2@vcu.edu

**Course modality:** RINP (In-person)

**Class time/day/location:** 7:00 pm - 9:40 pm T Snead Hall B3207

**Office hours:** A student is encouraged to visit during the office hours to clarify doubts on the material covered in the class. The office hours are at B4135 on Tuesday from 1 p.m. to 3 p.m. or by appointment.

**Course Description / Learning objectives:**

This course aims to enhance a student's understanding of financial investments and valuation, by emphasizing on the role of diversification in an investment portfolio and the tradeoff between risk and potential return when making investment decisions. It is designed to provide students with theoretical and practical concepts of investment. The main topics covered in the course are basics of investment, mutual funds, portfolio theory, asset pricing models, investment strategies involving equity options, and valuation of equity options using binomial option pricing model. If time permits, an application of Python for security valuation will be also discussed during the course.

(Preliminary) Module 0: Recap of Time Value of Money

Module 1: Basics of Investment process

Module 2: Mutual Funds

Module 3: Diversification and risky asset allocation

Module 4: Asset Pricing Models

Module 5: Investment strategies involving stock options

Module 6: Valuation of equity options using binomial option model

Module 7 (if time permits): Discussion on application of Python for security valuation

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**Prerequisite:** FIRE 520.

**Learning resources:**

Class syllabus, personal class handouts (if available), quizzes, exams, and your grades will be posted on VCU's Learning Management System - Canvas.

*Recommended Textbooks:*

*Fundamentals of Investments*, McGraw-Hill/Irwin, 7<sup>th</sup> Edition, 2015, by Bradford D. Jordan, Thomas Miller, and Steve Dolvin. ISBN-13 9780077861636. Or,

*Investments*, McGraw-Hill/Irwin, 9<sup>th</sup> Edition, 2011, by Bodie, Kane, and Marcus. ISBN-9780073530703.

## COURSE POLICIES

**Check Canvas and your VCU Email Regularly. You are deemed to be officially notified once email is sent to your VCU email address.**

### **Preparation and participation:**

A student is expected to attend each class session and participate actively. A student also needs to bring a laptop in each class.

### **Homework Quizzes:**

The homework quizzes will be given throughout the semester. Each quiz will contain instructions such as deadline and number of points. During the office hours, only the clarification regarding a given homework quiz's question will be provided. **All quizzes need to be submitted through Canvas. NO LATE SUBMISSION IS ALLOWED.** The final homework points will be based on the combined scores of all homework quizzes.

### **Exams:**

There are two exams -- a mid-term exam and a final exam. Each exam will be in the classroom, unless the instructor is out-of-town to attend an academic conference. **There will be no make-up exam.** The student can have a make-up exam only on those extenuating circumstances in which the university requires the instructor to give a make-up exam. **Please note that the make-up exam is more difficult and challenging than a regular exam** due to limited pool of possible questions.

### **Grade Determination:**

Final grades will be based on performance as follows:

Homework quizzes	40 points
Exam 1	30 points
Exam 2	30 points

**Withdrawal:** Please note the last dates to withdraw from the class by visiting at <http://academiccalendars.vcu.edu/>.

**(Tentative) Timeline for class schedule**

<b>Date</b>	<b>Topic</b>
18-Jan	Syllabus and Module 0
25-Jan	Module 1
1-Feb	Module 1
8-Feb	Module 2
15-Feb	Module 3
22-Feb	Module 3
1-Mar	<b>Exam 1</b>
<b>8-Mar</b>	<b><i>Spring Break</i></b>
15-Mar	Module 4
22-Mar	Module 4
29-Mar	Module 5
5-Apr	Module 5
12-Apr	Module 6
19-Apr	Module 6
26-Apr	Module 7 or contingency
<b>10 - May</b>	<b>Exam 2*</b>

\*Instructor **may** travel to attend an academic conference. In such a situation, Exam 2 will be during the previous week or may be given on-line. It will be communicated during the class.

**SCHOOL/UNIVERSITY POLICIES**

**VCU School of Business Mission**

The mission of the VCU School of Business is to prepare students for successful careers and lifelong learning by providing management education firmly grounded in technology, interdisciplinary teamwork and global perspectives. Essential to achieving this mission is striving to excel in teaching and scholarly research, and to build effective, value-based relationships with the external community.

**Other important information**

Students should visit <http://go.vcu.edu/syllabus> and review all syllabus statement information. The full university syllabus statement includes information on safety, registration, the VCU Honor Code, student conduct, withdrawal and more.