Syllabus -- FIRE 317
Investments - Fall 2018, Section 002
Class: Snead Hall, B3114, T/R, 12:30 p.m. - 01:45 p.m.

Virginia Commonwealth University

Instructor: Chintal Ajitbhai Desai, Ph.D.
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Office hours: T/R 10:30-11:30 a.m. or by appointment.

Course Description:
The goal of this course is to help students understand the role of diversification in an investment portfolio and the tradeoff between risk and potential return when making investment decisions. This course is designed to provide students with theoretical and practical concepts of investment. The topics include are basics of investment process, portfolio theory, fixed income securities, and financial options.

Prerequisites: Undergraduate level FIRE 311 Minimum Grade of D and (Undergraduate level MGMT 301 Minimum Grade of D or Undergraduate level STAT 210 Minimum Grade of D or Undergraduate level STAT 212 Minimum Grade of D or Undergraduate level STAT 312 Minimum Grade of D or Graduate level STAT 541 Minimum Grade of D)

Required resources:

- **Textbook:** ***Fundamentals of Investments***, McGraw-Hill/Irwin, 7th Edition, by Bradford D. Jordan, Thomas Miller, and Steve Dolvin. ISBN-978-0-07-786163-6.
- **Calculator:** Inexpensive scientific and/or financial calculator. You must have the calculator in class and for examinations.

Class website:
Class syllabus, homework assignments, and your grades on term exams will be posted on Blackboard.

Student Learning Outcomes: After taking this course a student should be able to:

1) understand the basic principles of investment and portfolio theory.
2) learn basics of fixed income securities.
3) understand the basics of bond pricing using no-arbitrage principle.
4) learn how to form different investment strategies using financial options such as call and put.
5) possess a set of necessary tools useful for managing an investment portfolio.
6) direct herself/himself for her/his further study and advancement in this area.

COURSE POLICIES

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

Attendance, preparation and participation: You need to attend each class session and take notes. Some portion of the material will be based on my personal notes. It may not be appropriately covered in the textbook. If you miss any material covered in the class, ask another student for notes. The non-graded homework assignments and exams will be based on the material covered in the class. I will take random attendance for 13 times during the semester. Each attendance is worth of one point with the maximum of 10 points.

Exams and homework assignments:
You will take two term exams and a final exam. The final exam is cumulative, and it is during the exam period. **All exams are mandatory. There will be no make-up exams.** 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. During the exam, the student is allowed to carry only financial and/or scientific calculator. No smart phones, laptops, smart watches, and tablets are allowed during the exam. In addition, **no cheat-sheet** is allowed. A standardized formula sheet will be given to each student during the exam. Almost every week, the non-graded homework assignments with answers will be posted on the blackboard.

Grade Determination:
Final grades will be based on performance as follows:

Attendance / Class participation	10 points
Term exam 1	25 points
Term exam 2	25 points
Final Exam (cumulative)	40 points

Letter grades after rounding to zero decimal will, most likely, be determined as:
100 – 90 (A) 89 – 80 (B) 79- 60 (C) 60-45 (D) <45 (F)

Extra Credit: There will be ***no*** opportunity for "extra credit" assignments after all classwork is completed.

Incomplete: A grade of Incomplete is available *only* for serious, documented, unavoidable circumstances – operations, accidents, court appearances, etc. This does **not** include your travel plans for some avoidable situations.

Withdrawal: Please note the last date to withdraw with a mark of "W" noted on your record on the semester calendar at http://academiccalendars.vcu.edu/. The last date for withdrawal for Fall 2018 is November 02, 2018.

Topics to be covered / Tentative class schedule

Week of	Topic / Textbook Chapter
21-Aug	Syllabus / Introduction
28-Aug	The investment process and financial securities, Ch.3 and Ch.2
4-Sep	The investment process and financial securities, Ch.3 and Ch.2
11-Sep	Mutual Funds and Stock market, Ch.4 and Ch.5
18-Sep	Diversification and Risky Asset Allocation, Ch.11
25-Sep	Diversification and Risky Asset Allocation, Ch.11
2-Oct	Return, Risk, and Security Market Line, Ch. 12, **Term exam 1**
9-Oct	Return, Risk, and Security Market Line, Ch. 12
16-Oct	Market efficiency and behavioral finance, Ch.7 and Ch. 8, Reading day on 10/18
23-Oct	Bond prices and yields, Ch.10
30-Oct	Interest rate risk management in bonds, Ch.10
6-Nov	Bond prices based on no-arbitrage principle
13-Nov	Bond prices, **Term exam 2**
20-Nov	Option strategies, Ch. 15 , Thanksgiving
27-Nov	Option strategies, Ch. 15
4-Dec	Option strategies, Ch. 15 / Practice sessions
12/13/2018	**Final Exam (Cumulative) in 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

http://go.vcu.edu/syllabus