



## COURSE SYLLABUS

Please read the following course syllabus carefully, especially the course dates, times and location. If you have any questions, please do not hesitate to communicate with the IDEAL Program office, your academic advisor, or the instructor.

The IDEAL degree-completion program is designed with the adult learner in mind. Adult learners approach learning with specific goals, want to be able to directly apply new learning to their work and personal lives, and tend to learn best when the coursework is problem-centered so that they are actively engaged in the learning process. In addition, adults bring rich and varied experience to the classroom, which becomes a valuable learning resource for other students.

The IDEAL Program assumes joint responsibility in the learning process. The activities and assignments in the courses build on the shared experience of all learners in each class. This is why each student's preparation, participation and interaction in class activities and discussions are critical to the success of each course. The accelerated format of each course requires a significant amount your time outside the classroom to prepare for and complete the course assignments. This varies between students and courses; however, students typically spend nine-twelve hours per week on course material.

To participate in the IDEAL Program, it is expected that you will do the following:

1. Attend every class session. Be on time.
2. Obtain the required course materials prior to the first class session.
3. Complete the first assignment prior to the first class session and all subsequent assignments to the best of your ability.
4. Participate in the class discussions and demonstrate respect and consideration to the instructor and other students when they express themselves in discussion.

If you cannot perform these four expectations, it is recommended that you drop the course. We look forward to your academic success in each course and the ultimate completion of your degree.

**Course No. & Title:** FIN 321 ID8W2, Investment Principles

**Semester and Term:** SUMMER 2014

**Day and Dates:** Wednesdays, 7/9/2014 – 8/20/2014

**Time:** 6pm – 9:30pm

**Campus Location:** Bridgeport MAN 223

**Course Description:**

Provides the student with the tools necessary for evaluating investments, including stocks, bonds, options and commodities. Additionally, it presents a systematic methodology for constructing efficient portfolios and evaluating portfolio performance.

Prerequisite Course: FIN 309

Course Code: BC, BUS

**Instructor & contact information:**

Instructor	John Geary
Email:	<a href="mailto:jgeary@bridgeport.edu">jgeary@bridgeport.edu</a>
E mail (alternative)	<a href="mailto:JEJGeary@Aol.com">JEJGeary@Aol.com</a>
Hours	Before & After Class
Telephone	(203) 232-1955

**Required Textbook:**

*Essentials of Investments 9<sup>th</sup> Ed*

Zvi Bodie, Alex Kane, and Alan Marcus ISBN 9780077753870

To order textbooks, go to the bookstore website at <http://bridgeport.textbooktech.com/>  
Select IDEAL Campus and login to the bookstore. Select the course and follow instructions.

**Calculator: Texas Instrument BA II Plus Calculator**

**Learning Outcomes:**

Upon completion of this course, the student should be able to:

- Understand and utilize the principles of risk and return, time value, cost and return, tax and income issues, and diversification in the analysis of investments and portfolios
- Appreciate and include the effects of the external environment (political, economic and cultural for both the domestic and global map)
- Identify, analyze, evaluate and select investment choices from among the various types of investments including stocks, bonds, commodities and derivatives, and other forms including real estate, collectables, etc.
- Determine investment goals based on current conditions, needs and plans and the near and long term future
- Construct artificial and actual portfolios using strategies that reflect investment goals and financial condition

First Assignment Prior to the First Class:

Read Chapter 1. We will begin with Chapter 1 and then continue into Chapter 6 where we will study and master portfolio development. We then will continue into stock evaluation and pricing and bonds and options. Chapter 6, I estimate will take about 2 classes to cover in detail. We will then begin to focus on the other more advanced chapters in this textbook. As a student in the Investment class, you will learn as a team to develop your own portfolio and also play the Investopedia stock game. Complete details on the Investment Portfolio part of this course are listed in a separate part of this syllabus. We will be using Excel to solve many of the financial homework problems.

Assignments:

Week 3	Chapter 7	CAPM –The Capital Asset Pricing Model
Week 4	Chapter 10&11	Bonds
Week 5	Chapter 13	Equity Valuation
Week 6	Chapter 15	Options
Week 7	Chapter 16	Option Valuation and Black Sholes Modeling
Week 8	Chapter 14	Financial Statement Analysis

Description of Weekly Sessions:

This course and the related course materials relating to investments will offer to the student an opportunity to develop an understanding of not only the investment market but also a full understanding of security analysis, including fundamental, technical and quantitative techniques. We will examine an efficient market hypothesis and what it means for you as the investor.

Each session we will have the opportunity to:

- Explain the role and structure of security markets and their participants
- Explain the different roles of market participants
- Apply economic and industry analysis
- Determine the equity value of the invial stock
- Explain the role and structure of various types of funds
- Explain the efficient marter hypothesis

Each week, you will be expected to:

- Review the weeks learning objectives
- Complete all Assigned readings and review all related lecture materials
- Participate as a team member in the Class Discussion Groupings
- Complete and submit any weekly assignments by the due dates. This will be determined by the first night of class.
- You should plan to spend an average of at least 9 hours per week on this course and its related subject materials.

## HOMEWORK ASSIGNMENTS

<u>DATE</u>	<u>CHAPTER</u>	<u>PROBLEMS</u>
July 9, 2014	1 6	9-10 6-7
July 16,2014	6 7	19 11-21-22-26
July 23,2014	10 11	4-16-19 8-15-16
July 30,2014	13	8-11-18
August 6,2014	15	11-12
August 13,2014	16	8-9
August 20,2014	14	1-2-15

### Grading Criteria:

The grading system that will be used is as follows:

- **Class Preparation and Participation:** 15%
- **Homework Problem Assignments** 10%
- **Midterm Examination:** 15%
- **Final Examination:** 25%
- **Project:** 20%
- **Class Participation:** 15%

### Letter Grading Scale:

<b>% of Points Earned</b>	<b>Letter Grade</b>	<b>% of Points Earned</b>	<b>Letter Grade</b>
100-94	A	76-74	C
93-90	A-	73-70	C-
89-87	B+	69-67	D+
86-84	B	66-64	D
83-80	B-	63-60	D-
79-77	C+	Below 60	F

## **ACADEMIC POLICIES**

### **Attendance Policy**

Classroom attendance is an integral part of the academic experience; therefore, students are expected to attend all class sessions. If an absence is unavoidable, the student, prior to class, should communicate with the instructor. Arrangements should be made at that time for submission of any missed assignments. It is also expected that students arrive on time and not leave until the class is dismissed. Tardiness will result in a reduced grade for the course. If you cannot attend every class session you should consider dropping the course.

### **IMPORTANT:**

- Missing one class session will drop the final grade by one letter grade (for example if a student earns a grade of “B” in the course, the final grade would be a “C”).
- Missing two or more class sessions will be cause for a failing grade.
- Note: For 15-week courses; missing two class sessions will result in a letter grade drop and three or more will cause a failing grade.

### **Drop Procedures**

To drop a course, you must complete and submit a Schedule Change Request Form. The form can be accessed at the IDEAL Course Schedule webpage:

<http://www.bridgeport.edu/academics/continuinged/ideal-academic-degree-programs-and-certificates/ideal-course-schedule/>.

Please print and complete the form and fax the form to the IDEAL Office: 203-576-4537. Prior to dropping a course, the student should contact their IDEAL Academic Advisor to understand the implications to financial aid and/or degree plan progress.

Please review the drop fees and tuition refunds at the Academic Calendar; accessed at the IDEAL Course Schedule webpage (same link above).

### **Cell Phones**

Cell phones must be turned off (or placed on “vibrate”) while in the classroom. A cell phone call is disruptive and disrespectful to the other students in the class.

### **Academic Dishonesty**

The IDEAL program prohibits all forms of academic dishonesty. Academic dishonesty is normally defined as, but not limited to, the following two categories:

Cheating – Using inappropriate sources of information in an assignment or on a test. The following are examples of cheating taken from real student experiences:

Case #1: A student is enrolled in an introductory psychology course. He has co-workers who have taken the same course. As the end of the course approaches, he wonders how he will find the time to get the research paper finished, and asks one of his co-workers for help. His co-worker hands him a research paper that he submitted in a similar course. The student makes minor modifications to the paper, and submits it under his own name.

Case #2: A student enrolled in a humanities course is unsure about how to structure an essay. She is doing research on the World Wide Web, and comes across an essay

written by a student from another university. Using her computer mouse, she copies and pastes the essay into her word processor. She goes to great lengths to re-word the paper in her own style, but essentially leaves the content and organization the same.

Plagiarism – Intentional as well as unintentional failure to acknowledge sources as well as the use of commercially available so-called “research papers” without full recognition of the source. Presenting as one’s own, the ideas, words, or products of another. The following are examples of plagiarism taken from real student experiences:

Case #3: A student is conducting research for a Civil War research paper. He has reviewed work on the Internet. Finding helpful information, he has summarized his findings without citing his sources. He believes that minor paraphrasing is all that is necessary.

Case #4: A student is writing a paper that requires her to address specific topics and problems in the assigned course textbook. She takes the information directly from the textbook with slight modification, without giving any citation. She thinks that since it is the course textbook, she doesn’t have to use quotations or citations.

Academic dishonesty applies to all courses, assignments or exams completed by students and submitted as their own original work, whether in person or by electronic means. The University does not tolerate cheating in any form. It is a serious breach of conduct with serious consequences. Instructors have the right to determine the appropriate penalty for academic dishonesty in their own courses; generally, however, such acts will result in a failing grade for the assignment and/or the course. The penalty for subsequent acts of academic dishonesty may include expulsion.

More information on how to recognize plagiarism can be found at this site:  
[http://www.indiana.edu/~istd/plagiarism\\_test.html](http://www.indiana.edu/~istd/plagiarism_test.html)

### **Ethics Statement of Confidentiality**

An integral component of an IDEAL course is student and faculty expression of personal experiences for the purpose of facilitating coursework. Students enrolled in the program are expected to honor confidentiality as it pertains to student disclosure. Shared information, comments, or opinions expressed by another student or the faculty member during the course of classroom discussion should never be used in a manner which is intended to humiliate, embarrass, harass, damage, or otherwise injure other students in their personal, public, or business lives. In addition, confidentiality must be upheld by not disclosing any information that would identify any particular individual.

### **ACADEMIC RESOURCE CENTER**

The Academic Resource Center is available for IDEAL students seeking help in their studies. The Center is staffed by writing professionals and peer tutors. More information can be found at: <http://www.bridgeport.edu/pages/2209.asp> The Center is located on the 5<sup>th</sup> Floor of the Wahlstrom Library. Make an appointment or walk-in: Telephone: 203-576-4290. **Online Tutoring** is available at: [www.etutoring.org](http://www.etutoring.org). To use this free service you must have a UBNet account.

### **Obtaining a UBNet Account**

Every registered student should obtain a UBNNet Account. The account allows you to access MyUB; the portal for grades, library services, Canvas online learning system. Also, the account allows you access to computers in the Library and computer labs, and provides an email account in which the University sends out information. Go to: <http://www.bridgeport.edu/ubnet> - Click on "New UBNNet Account" and follow the instructions.

The @bridgeport.edu email address is the official email the University uses to send information to you. You can have your bridgeport.edu email forwarded to any other private email account you use. Following the activation of your UBNNet account (takes 24 hours), login at: <http://www.bridgeport.edu/email> and click on "forwards" at the top of the page. Follow the directions to forward email messages to your other account.

### **Learning Management System (LMS) - Canvas**

For all courses that use Canvas, you can access Canvas through the portal by using the myUB link. Faculty post class documents on Canvas e.g. syllabus, power points, discussion questions, case studies, current event articles, papers, reports etc. (save some trees). All students have access, and can download and copy the documents.

**Canvas Tutorial For Students:** <https://bridgeport.instructure.com/courses/985903>

**For assistance** contact the UB Help Desk at 203-576-4606 or email [helpdesk@bridgeport.edu](mailto:helpdesk@bridgeport.edu)  
<https://bridgeport.instructure.com/courses/829447/>

### **Accessing Your Grades & Schedule Online**

The WebAdvisor online information system allows students to search for available classes, check grades, view semester class schedule and verify your personal profile. Grades are generally posted 2-3 weeks following the end of a course. To access WebAdvisor, login in to MyUB and follow the WebAdvisor menu on the right. If you are carrying a financial balance, access to WebAdvisor will be restricted.

### **Using the Library**

Access to the Digital Library is through MyUB. On the MyUB home, in the central column, click on "myEureka Digital Library." Research tools available:

- Search for books held at the library.
- Search the online databases for your academic field; business, counseling, human services, psychology, etc.
- Send questions to the Reference Librarian for assistance in research topics and searching strategy.

### **Using Computers**

Open access computer labs are available at three locations:

- Bridgeport – 1<sup>st</sup> floor of the Wahlstrom library. Check library hours of operation at: <http://www.bridgeport.edu/library>.
- Stamford – Room D; Check open hours at: <http://www.bridgeport.edu/stamford>
- Waterbury – Computer Lab; Check open hours at: <http://www.bridgeport.edu/waterbury>

### **Course Cancellations**

Any emergency necessitating the canceling of courses will be announced by the University through the Emergency Notification Telephone Line, (203) 576-4159. Please call this number for information on course cancellations. Also, information will be posted under "Latest News" on the

UB home page, ([www.bridgeport.edu](http://www.bridgeport.edu)). Canceled classes will be made up either the week following the end of the course or in consultation between the instructor and the students as to day and time availability. Course cancellations are also announced on television and radio stations.

### IMPORTANT CONTACT INFORMATION

Office	Telephone	Email
Bridgeport Campus Security	(203) 576-4911	ubsecurity@bridgeport.edu
Bursar	(203) 576-4692	bursar@bridgeport.edu
Cashier	(203) 576-4682	cashier@bridgeport.edu
Financial Aid	(203) 576-4568	sfs@bridgeport.edu
Registrar	(203) 576-4635	registrar@bridgeport.edu
Emergency Notification Phone	(203) 576-4159	
IDEAL Office	(203) 576-4800	idealinfo@bridgeport.edu

### CAMPUS CONTACT INFORMATION

Campus	Address	Telephone	Email
Bridgeport	126 Park Avenue Bridgeport, CT 06604	(203) 576-4800	idealinfo@bridgeport.edu
Stamford	5 Riverbend Drive Stamford, CT 06750	(203) 358-0700	ubstamford@bridgeport.edu
Waterbury	84 Progress Lane Waterbury, CT 06705	(203) 573-8501	ubwaterbury@bridgeport.edu

<b>Directions to IDEAL Campus locations</b>	<a href="http://www.bridgeport.edu/pages/2260.asp">http://www.bridgeport.edu/pages/2260.asp</a>
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To fill out your financial aid report to the Federal Government, please go online to [www.fafsa.ed.gov](http://www.fafsa.ed.gov). The school code for the University of Bridgeport is **001416**.  
Federal Student Aid Information: 1-800-433-3243.

**THE UNIVERSITY OF BRIDGEPORT**  
**IDEAL PROGRAM**  
**SUMMER 2014**  
**INVESTMENT PRINCIPLES FIN 321 ID 8W2**  
**JULY—AUGUST SESSION**

**THE INVESTMENT ANALYSIS PROJECT**

**J.E. Geary**  
**Adjunct Professor**

## INVESTMENT ANALYSIS PROJECT

### The requirements of the investment analysis project are the following:

1. form a team of students for the project The number is to be determined by the enrollment in the class. If there is a small class, we will adjust the numbers of participants to this enrollment figure.
2. as a team choose a stock from the attached list of companies
3. complete an analysis of the stock to determine its acceptability as an investment
4. present your formal analysis and investment recommendation to the class
5. submit the analysis and recommendation to the instructor in the form of a research paper
6. **each team will begin this portfolio with an initial amount of \$100,000.00**

The basis for your team's recommendation should be a fundamental analysis of the company and the stock as an investment. You may want to extend the analysis by including a technical analysis of your stock – charting the price, volume, indicators, and so forth. I encourage your creativity in this project. **You must remain scientifically objective and not identify with or become an advocate for the company you are analyzing.**

### Your presentation and written report must have the following minimum content:

1. A description of the company, its products and services, recent events that is relevant to the valuation of the company, and recent trends in sales and earnings.
2. An analysis of current macro-economic that is relevant to the company. You might consider discussing current monetary policy, interest rates, inflation, business cycle conditions, and any other macroeconomic subject that is relevant to value of the company your team chooses.
3. An analysis of stock market conditions including recent returns on stock market indexes and average valuation ratios such as P/E ratios of stock market indexes.
4. An analysis of the industry, i.e., degree of competition, growth of industry-wide sales, profitability of competitors, life cycle stage of the industry, Porter's five factors, and P/E ratios of competing companies.
5. A complete analysis of the company's financial statements for a minimum of the most recent three years of available data including a comparison of the company's ratios to most recent year's peer company average ratios. Complete the ratio calculations yourself. Do not copy them from another source.
6. A *pro forma* income statement analysis that includes a forecast of revenue for the coming year, major cost and expense categories, earnings, earnings per share, and dividends.

Rely on your own forecast. Do not base your analysis on a sales or earnings forecast from a secondary source such as Value Line.

7. A valuation of the stock or a range of values that would provide a basis for an investment decision. Include the assumptions you make and your calculation steps. You may calculate the stock's required return from an SML or APT equation.

8. An unambiguous buy or sell investment recommendation based on your analysis.

You may add content to the list above, but do not omit any of items 1 through 8 from your paper. Your team's presentation should include relevant charts and graphs, but be sure you discuss the relevance of those exhibits in your paper if you present them. **You may use Power Point for the presentation with the computer data projector.**

**In order to be complete, your paper must also include the following:**

1. complete citations of sources within the narrative of the paper;
2. a complete bibliography or list of references presented in a style among those that are made available by the University of Bridgeport library and its sources of information.
3. a copy of the company's most recent balance sheet and income statement from the company's most recent annual report to shareholders.

A paper without citations is incomplete and will receive a grade of F. If there are citations that are missing, I will give you an opportunity to add them to your paper and grade the paper as a late submission. If you have any questions on how to cite a source, please ask me for assistance. Your word-processed, error-free paper is due to me no later than 5:00 p.m. on the day of your presentation. Late papers will be penalized a letter grade per day. I do not accept emailed papers. The length of your paper should be a maximum of 8 to 10 pages. Each page should be double spaced pages of 12 point type exclusive of references and appendix documents.

Among your many references there must be references to the following sources: the company's most recent annual report to stockholders, the most recent Value Line analysis of the company, S&P Industry Survey report on the industry, and an S&P Outlook report on current and expected economic conditions. Both Value Line and S&P are accessed through the University of Bridgeport's library's website. Another source for great stock information is the STOCK TRAK website. It may be accessed at <http://www.stocktrak.com>. Since this is a short semester, I do not plan to ask you to subscribe to this. I feel that with the various sources that we will observe in the class, that a subscription and a track for a shortened period of time is a cost that we do not need to absorb in this course.

**Finally, this is a pledged assignment for all team members, and your paper must be original and not reused from any other course without my permission.**

The class will evaluate the presentations including whether they agree with your recommendation. Members of the teams will evaluate each other, and I will grade the papers. A student's grade on the project is the weighted average of the presentation grade (1/3) and the

grade on the paper (2/3). Peer evaluations may be used by the instructor to adjust project grades or final grades for individuals.

Participation in this project is not optional, and the instructor reserves the right to adjust individual grades on the project to reflect participation.

## Stocks for the Investment Analysis Project

Abbot Labs	ABT
Barnes & Noble	BKS
Becton Dickinson	BDX
Burlington Santa Fe	BNI
Colgate Palmolive	CL
Darden Restaurants	DRI
Diamond Offshore	DO
Emerson Electric	EMR
Gap Inc.	GPS
General Mills	GIS
Goodrich Corporation	GR
H&R Block	HRB
Hewlett-Packard	HPQ
Hormel Foods	HRL
International Business Machines (IBM)	IBM
Kinetic Concepts	KCI
McDonalds Corporation	MCD
McGraw-Hill	MHP
Olin Corp.	OLN
Pepsico	PEP
Polaris Industries	PII
Quest Diagnostics	DGX
Sherwin-Williams	SHW
Smith & Wesson Holding Company	SWHC
Strum Ruger & Co.	RGR
Tupperware	TUP
United Technologies	UTX
Wal-Mart Stores	WMT
YUM Brands Inc.	YUM