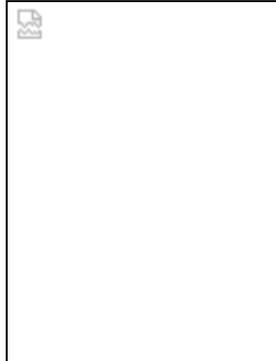


# Investments: Portfolio Analysis



**MGMT 0319**

**Instructor: Kathie Sullivan, Ph.D**

## **Course Overview:**

The objective of this course is to learn how to create, manage, and evaluate investment portfolios. We will examine the theory underlying the asset allocation process with the aim of achieving a broad, conceptual understanding of the basic tradeoffs in investment decision making. As a practical application of portfolio analysis, we will also explore the Internet and other computer based investment management tools. Topics to be covered include: mutual funds, asset allocation, portfolio theory, asset pricing models, derivative securities, equity portfolio management, and portfolio evaluation.

## **Prerequisites:**

You are expected to have taken Financial Management (MGMT 0207) and be familiar with the fundamentals of investing. There is also a fairly strong mathematical component to this course, so you are also expected to have completed basic courses in Economics, Statistics, and Business Math. If you have any questions about your ability to succeed in this class, please contact me a [ksullivan@wsc.ma.edu](mailto:ksullivan@wsc.ma.edu).

## **Textbook and Other Reading:**

Investments, 7<sup>th</sup> edition, Reilly & Norton, South-Western, 2006. ISBN-10: 0324655800, ISBN-13: 9780324655803

The following website may be used for ordering the textbook for downloading:

<http://www.ichapters.com/tl1/en/US/storefront/ichapters?cmd=catProductDetail&>

[ISBN=9780324655803](https://www.amazon.com/dp/0393330338/ref=pbbs_sr_1?ie=UTF8&s=books&qid=1197305623&sr=8-1)

A Random Walk Down Wall Street: The Time Tested Strategy for Successful Investing, Ninth Edition, B. Malkiel, W.W. Norton, 2007.

Available at most local bookstores and from Amazon: [http://www.amazon.com/Random-Walk-Down-Wall-Street/dp/0393330338/ref=pbbs\\_sr\\_1?ie=UTF8&s=books&qid=1197305623&sr=8-1](http://www.amazon.com/Random-Walk-Down-Wall-Street/dp/0393330338/ref=pbbs_sr_1?ie=UTF8&s=books&qid=1197305623&sr=8-1)

### **Course Format:**

The content of the course will be presented online in Learning Modules, which correspond to textbook chapters. Each Learning Module will contain a wide variety of materials that will help you master the textbook chapter content. They include: lecture outlines and notes, audio lectures, power point presentations, additional problems and solutions, homework assignments, relevant and interesting web links, and chapter quizzes. For each Learning Module, you will read assigned materials and complete assignments and assessments by posted due dates.

In order to successfully complete the course, you are expected to read all assigned readings and take the chapter assessments for each Learning Module. The assessments are provided to help you master the material and check your comprehension. They are not timed and you can take them multiple times until you achieve the grade you are satisfied with. The average of all of your assessment grades will be included in your final grade.

Learning Modules will be available approximately every one and a half weeks over the course of the semester. You are expected to check PLATO on a regular basis (every two or three days) for new or changed course readings and assignments.

There will also be three online exams, each of which will cover approximately three Learning Modules. These exams are timed and can only be taken once, but you will have a flexible exam window over which each student can select an exam time that best suits their schedule.

### **Portfolio Project:**

The purpose of this project is to enable you to put into practice portfolio concepts discussed in class and provide some practical, risk-free investing experience in managing a \$500,000 portfolio. You will need to establish financial goals for your portfolio, select the appropriate investments to reach these objectives, monitor the progress of the portfolio, and evaluate its performance with respect to your stated goals.

### **Final Grade:**

Your final grade will be determined by your performance on the three exams, the assessment average, and the portfolio project.

### **Financial Calculators:**

Most students have found that the use of financial calculators greatly assists them in completing this course. As a result, you are encouraged to purchase a financial/business calculator for this class. The calculator you select should be able to perform present value, future value, net present value, internal rate of return, and cash flow calculations. Suggested models are a TI BA II Plus, HP

10BII, HP 17BII+, TI-83 or TI-84. Calculator help “how to” information will be provided, but it is your responsibility to become familiar with how your calculator works.

## Get Up to Speed with PLATO:

Before the semester begins, make sure you are ready for the online experience. Visit the following websites to learn everything from “how to login”, to “checking your browser configuration.”

[http://www.wsc.ma.edu/plato/Seven\\_Steps\\_To\\_Logging\\_Into\\_Vista.html](http://www.wsc.ma.edu/plato/Seven_Steps_To_Logging_Into_Vista.html)

[http://www.webct.com/tuneup/viewpage?name=tuneup\\_start](http://www.webct.com/tuneup/viewpage?name=tuneup_start)

[http://www.webct.com/tuneup/viewpage?name=tuneup\\_browser\\_troubleshoot](http://www.webct.com/tuneup/viewpage?name=tuneup_browser_troubleshoot)

## Academic Honesty:

Academic integrity is submitting one’s own work and properly acknowledging the contributions of others. Any violation of this principle constitutes academic dishonesty and is liable to result in a failing grade and disciplinary action. Forms of academic dishonesty include:

- **Plagiarism** – submitting all or part of another’s work as one’s own in an academic exercise such as an examination, a computer program, or written assignment.
- **Cheating** – using or attempting to use unauthorized materials on an examination or assignment, such as using unauthorized texts or notes or improperly obtaining (or attempting to obtain) copies of an examination or answers to an examination.
- **Facilitating Academic Dishonesty** – helping another commit an act of dishonesty, such as substituting for an examination or completing an assignment for someone else.

I fully expect and trust that everyone taking this course will comply with the College’s policy on academic honesty. Plagiarism and cheating are serious offenses and may be punished by failure on the exam, quiz, paper, or project; failure in course; and/or expulsion from the College. Students who submit any assignment, assessment, or exam which has been completed by someone else will receive a failing grade for that work. The situation will also be referred to the appropriate dean for further action.

## Additional Questions:

Please drop me an email if you have any questions or concerns –

[ksullivan@wsc.ma.edu](mailto:ksullivan@wsc.ma.edu).



Looking forward to seeing you next semester!