Course Syllabus
FIR 7410 and 8410
Investment Theory and Portfolio Management
Fall Semester, 2015
3.0 Credit Hours

Instructor: Sandra Mortal, PhD
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Office: FCBE 207

Class Meetings: Tuesday and Thursday 5:30 to 6:55 pm or by appointment
Office Hours: Tuesday and Thursday 1:15 to 2:30 pm or by appointment

Course Overview

Introductory graduate level course in the area of investments and portfolio management; considers qualitative and quantitative risk and return characteristics of various investment opportunities, fundamental valuation models, timing techniques, efficient markets, speculation and hedging, and portfolio theory and practice.

Pre-Requisites/Co-Requisites:
PREREQUISITE: FIR 7155 or equivalent.

Required Texts (and Related Materials):


Recommended Texts (and Related Materials):
I recommend you read a business periodical such as the Wall Street Journal, Business Week, The Economist, Financial Times, NPR (e.g. Marketplace and Planet Money), and CNBC.
Location of Course Materials:

All course materials (lectures, discussion topics, news, etc.) are located on the eCourseware website.

Course Objectives:

This is a survey course in investments. The objective of this course is to study the fundamental concepts and theories of investing, including financial markets and instruments, portfolio theory, bond and stock valuation, and performance evaluation. By the end of the course students should be able to understand the mechanics of investing, and make informed investment decisions.

Fogelman College: Learning Outcomes for Your Degree

This course is designed to help you to meet the overall learning objectives for the BBA degree offered by the Fogelman College. You should take the time to become familiar with the overall learning objectives as a student in the MSBA program:

http://www.fcbeassessment.net/LearningOutcomes/MSBADegreeLearningOutcomes.pdf

Course Methodology

Homework and Quizzes will be assigned through Connect for each chapter. Students must read the textbook chapter before it is covered in class. There will be an assignment at the beginning of each chapter (LearnSmart) to ensure that you have read the chapter, and a homework and quiz at the end of each chapter. Connect related homework can be taken as many times as you need to get it right. You will be graded on the final attempt, regardless of how many times it takes you to complete it. Quizzes can be retaken three times. Your grade will be the average of your attempts. When the quiz is retaken, the questions will change. Feel free to use your text/notes while taking the quizzes, or doing homework. However, quizzes and homework are individual assignments and teamwork is not permitted.

There will be three exams. Questions will be taken from class notes, assigned readings, and assigned problems. There will be no make-up exams.

Each student will form a portfolio-management group (of about 2 students). Each group will manage a portfolio of $1 million. Details on the policies regarding this portfolio simulation will be outlined in class. At the end of the simulation, each group will complete a performance evaluation report. Your final grade will reflect your performance on this assignment, NOT the return on your portfolio. There will be two group projects including the project above. A good portion of this grade will be determined through peer evaluation. This is to make sure that everyone in the group does his/her share of the work.
Grading and Evaluation Criteria

Final course grades are earned according to the following table:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Score Range</th>
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<tbody>
<tr>
<td>A+</td>
<td>&gt;98</td>
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<tr>
<td>A</td>
<td>92-98</td>
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<tr>
<td>A-</td>
<td>90-92</td>
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<tr>
<td>B+</td>
<td>88-90</td>
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<tr>
<td>B</td>
<td>82-88</td>
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<tr>
<td>B-</td>
<td>80-82</td>
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<tr>
<td>C+</td>
<td>78-80</td>
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<tr>
<td>C</td>
<td>72-78</td>
</tr>
<tr>
<td>C-</td>
<td>70-72</td>
</tr>
<tr>
<td>D+</td>
<td>68-70</td>
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<tr>
<td>D</td>
<td>62-68</td>
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<tr>
<td>D-</td>
<td>60-62</td>
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<tr>
<td>F</td>
<td>&lt;60</td>
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</tbody>
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Your overall grade for the semester is based on how well you perform on a mixture of formal activities including discussions, quizzes and projects. A detailed description of each of the assessed activities can be found after the scoring summary table below.

You are welcome to talk to me about grading. It is extremely important to me to be fair, which in this context means treating people consistently. Therefore, when I grade written assignments I attempt to grade them all at the same time so I can apply identical standards as consistently as possible. If you think that there are grading errors on your tests (assignments) or your grade on an exam (assignment) does not reflect the quality of your performance, submit the entire exam (assignment) together with a written explanation of your reasoning the day I handout the exam (up to a week after I handout the assignment). An exam (assignment) submitted for re-grading will be subject to a complete re-grade.

I want to help you learn and achieve the grade that you wish. I will, of course not be able to assign you a grade that does not reflect your performance, but I encourage you to use my office hours to advance your learning. I have high, but I believe reasonable expectations for the students. I strive to teach this course similar to how it is taught at the top business schools in the country.

Final Course Grades

Points earned on the assessed activities will be distributed as follows:

Exam 1
Exam 2
Exam 3
each
Quizzes
Homework and
LearnSmart
Project 1
Project 2
Attendance &
participation
Total

* Project Score = (Project 1 + Project 2)*0.5 + (Project 1 + Project 2)*0.5*(Peer Evaluation)
Course Topics

Unit 1 Topics: The investment environment; asset classes and financial instruments; how securities are traded; mutual funds and other investment companies. Readings: Chapters 1-4 in the textbook.

Unit 2 Topics: Portfolio theory; risk and return; capital allocation; optimal risky portfolios; index models. Readings: Chapters 5-8 in the textbook.

Unit 3 Topics: The capital asset pricing; arbitrage pricing theory; the efficient market hypotheses; portfolio performance evaluation. Readings: Chapters 9-11 and 24 in the textbook.

Unit 4 Topics: Debt securities; bond prices and yields. Readings: Chapter 14 in the textbook.

Schedule of Activities

For a complete semester schedule of readings, activities, and due dates for assignments, please refer to the “Semester Calendar” that can be found in the online course area under “Getting Started”.

Final Exam Schedule

The final exam for this class will be scheduled according to the Registrar’s academic calendar website.

Course Policies

E-MAIL:

All students are required to maintain and access their University of Memphis (@memphis.edu) email account. You will receive all official course correspondence at this email account. Any inability to receive incoming mail in a timely fashion (e.g., not regularly checking your email, having a “full mailbox” condition, etc.) is the student’s responsibility.

Attendance:

Regular attendance and class participation are extremely important for the success of this course, and attendance will be taken. Students are held responsible for all materials, and assignments presented in class, as well as any administrative announcements. If for any reason you must miss a class, you should get any relevant information from your colleagues.

Adding/Dropping:

If you have questions about adding or dropping classes, please refer to this page on the Registrar’s website.

Academic Integrity:
The University of Memphis has clear codes regarding cheating and classroom misconduct. If interested, you may refer to the Student Handbook section on academic misconduct for a discussion of these codes. Note that using a “Solutions Manual” is considered cheating. Should your professor have evidence that using a “Solutions Manual” has occurred, he/she may take steps as described on the campus’ [Office of Student Conduct website](#). If you have any questions about academic integrity or plagiarism, you are strongly encouraged to review the Fogelman College's Website on Academic Integrity.

**Late Assignments:**

Assignments and projects may be submitted anytime up to and including the date and time due. Please review all information in this syllabus and related “Course Activity Summary / Schedule” for all due dates for formally assessed work. Late assignments will be severely penalized and will result in a score of zero, unless s/he can present an acceptable excuse.

**Extra Credit:**

There is no extra credit offered in this course. Your final grade will be computed based on your work on the formal/assessed activities previously described in this syllabus.

**Reporting Illness or Absence:**

Due dates and deadlines have been established for each graded assignment. In this course, deadlines are taken very seriously. Please do not wait until the last day to submit assignments or to take quizzes and exams. If an emergency should arise, it is the student’s responsibility to contact the instructor prior to the deadline to discuss the matter. A deadline extension will be considered only if all of the following conditions are met:

1. Extreme emergency
2. Instructor contacted prior to the due date.

**Inclement Weather:**

In the event that inclement weather requires the cancellation of classes at The University of Memphis, local radio and television media will be immediately notified. Additionally, The University of Memphis has established an Inclement Weather Hotline at 678-0888 as well as [TigerText](#), an emergency alert text messaging service to students, faculty and staff. This optional service is used in the event of an on-campus emergency, an unscheduled university closing, or a delay or cancellation of classes due to, for instance, inclement weather. Click [Here](#) for information on TigerText.

**Syllabus Changes:**

The instructor reserves the right to make changes as necessary to this syllabus. If changes are necessitated during the term of the course, the instructor will immediately notify students of such changes both by individual email communication and posting.
Student Services

Please access the FCBE Student Services page for information about:

- Students with Disabilities
- Tutoring and other Academic Assistance
- Advising Services for Fogelman Students
- Technical Assistance