

FIN432
Investment Analysis and Management
Spring 2008 (revised)

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BB4103

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Office Hours: 5:30-6:30 PM Wednesday and by appointment

Prerequisite: FIN303

FIN432 is a survey course on investments. Topics covered will include corporate and government securities, stocks, bonds, derivatives, financial institutions associated with the securities markets, the function of the markets, security analysis, valuation and investment management. Emphasis will be placed on company analysis, performance measurement and common stock valuation.

Required Text:

Essentials of Investments 7th ed. by Bodie Kane & Marcus

HIGHLY Recommended: HP10B calculator

Grading:

Company Analysis	25%
Midterm	30%
Final (cumulative)	35%
Participation/Pop Quizzes	10%

Plus/Minus grades given. No late assignments will be accepted. No make up tests will be allowed. If you miss the Midterm, the final counts 65% of your grade. Company analysis must be typed and double-spaced, 12-point with 1-inch margins.

Attendance Policy: No makeups will be given without a physician's excuse.

The *Company Analysis* is a detailed analysis of a large publicly traded company in the context of its industry and the economy. It will focus on the financial characteristics of the company you analyze compared to its industry competitors. This will provide the basis for the second part, which will be a valuation of the company. The company analyses will need to include the statistical analyses covered in this course. The complete report should be 10-12 pages of your analysis and insight. I will provide you with more detailed information. This will be due Wednesday, May 7th.

Fin432 Schedule Spring 2008

Week Date Chapt. Topic

1	1/23		Introduction
2	1/30	1, 2	Background, financial securities and markets
3	2/6	3	Securities Markets
4	2/13	4	Mutual Funds
5	2/20	5, 6	Risk and Return; Diversification
6	2/27	7,8	CAPM and efficient markets; (skip APT) review for midterm
	3/5		MIDTERM
7	3/12	9,10	Bonds
8	3/19		SPRING BREAK
9	3/26	11	Industry and economic analysis
10	4/2	12	Equity Valuation
11	4/9	13	Financial Statement analysis
12	4/16	14-16	Speculative Markets
13	4/23	14-16	Speculative Markets
14	4/30	17	Performance Evaluation
15	5/7	19	Behavioral Finance and REVIEW FOR FINAL; TERM PAPER DUE
16	5/14		Final Exam

Study Problems

1	1-16
2	even
3	even
4	1-21
5	1-5; 9-28 even
6	1,2,6-11,16-19,20-24
7	1-20 even
8	1-20

TBA