THE OHIO STATE UNIVERSITY
Fisher College of Business

BUSFIN 7220: Investment Management I
Spring 2015, Session 2

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This course will run from March 3 - April 21, 2016. Classes will meet in room 315 of Gerlach Hall each Thursday from 6:00 pm to 9:00 pm, except for Thursday, March 17 (spring break).

Course Objective

Our objective is to study the theories, evidence, and practices of investment management, with an emphasis on fixed income and equity securities. Topics include asset allocation, optimization, risk management, passive and active strategies, securities analysis, derivatives and portfolio performance evaluation.

Prerequisites

The field of investments is inherently quantitative. Students are required to have completed an introductory finance course and basic probability and statistics. Familiarity with algebra and basic statistics, including regression, covariance, and correlation, will be helpful but are not considered necessary prerequisites for this course.

Course Materials

The course website in Carmen will be the repository for: (i) course announcements; (ii) lecture notes; and (iii) any supplemental material. Lecture notes and supplemental material, if any, will be posted at least one week before the corresponding class meetings.

The course will be taught using Bodie, Kane, and Marcus’ Investments, 10th ed., McGraw-Hill (BKM). Earlier versions of BKM are likely to be both less expensive and sufficient for this class. (Few changes are apparent in a comparison of the tables of contents for the 9th and 10th editions.) However, students choosing earlier versions bear the risk that they may not have complete access to all assigned reading materials.
Examinations and Grading

Weekly Quiz: Starting with the second class, weekly quizzes will test comprehension of materials covered in prior classes. Quizzes will be administered at the beginning of class and timed, with an expectation that they will take 10-20 minutes on average.

Final Exam: The final exam is comprehensive and may cover any or all topics studied during the course. The Fisher College has scheduled the final exam to take place at

6:00 PM on Thursday, April 28 in Rm 315 of Gerlach Hall (GE, Bldg 250, 2108 Neil Avenue).

Class Participation: Participation is strongly encouraged and may include, without limitation, comments relating to the substance, presentation and testing of materials covered in the class. Participation will not factor into final grades. However, students can expect to be called upon in class to share their thoughts on assigned materials and course topics.

The course grade will be determined by the following formula:

$$\max [0.5 (X_e + X_q), X_e]$$

$$X_e = \text{Final exam (100 pts)}$$
$$X_q = \text{Average of Weekly Quizzes (100 pts)}$$

The final exam and quizzes are open book. Students may, subject to OSU policy (see “Academic Integrity” below), use BKM, classroom notes, calculator, computers or any other materials.

“Make-Ups” and Regradings

Make-Ups: In extraordinary circumstances, students may be allowed to take the final exam and/or weekly quizzes at a time or place other than originally scheduled. For the avoidance of doubt, the professor has sole discretion over whether “make-up” opportunities will be allowed, and the expectation is that there will be few, if any, circumstances justifying such opportunities.

Regrading: Students who believe there has been a material mistake in the grading of their final exam or any quiz may ask for a regrading. Such requests must be made in writing by email within one week of the return of the exam or quiz in question. The request must include a written explanation of the reason for the request.

Any exam or quiz accepted for regrading may be regraded in its entirety; therefore, the ultimate grade may be lower than the original grade. The only exception to the regrade-the-entire-exam policy is if the request is made to correct a mathematical error in calculation of the exam or quiz score.
Students do not need to formally request a regrade in order to discuss exam/quiz questions and “model” answers with the professor.

**Academic Integrity**

In accordance with rule 3335-5-487, all instances of alleged academic misconduct will be reported to the department chairperson and the Committee on Academic Misconduct. Academic misconduct is grounds for failing the course and may be grounds for additional sanctions. Academic misconduct includes, but is not limited to, giving and receiving information during an exam or quiz, sharing information concerning an exam or quiz with someone who has yet to take it, and submitting plagiarized work for an academic requirement. To be more specific, graded tests are to be the work of the individual, using only permitted materials. Concerning all other aspects of the course, including assignments, if any, students may discuss freely with classmates.

**Students with Disabilities**

Students with disabilities who request help will be given reasonable accommodation with the assistance of the University Office of Disability Services (292-3307).

*Course Outline Follows*
Tentative Course Outline

The following is a tentative list of topics that will be covered in the course. Required readings are listed under each topic. Changes to this course outline, if any, will be posted on the course website at least one week prior to discussion of any related readings. Unless otherwise noted, students are not required to answer the “Concept Checks” and end of chapter problems accompanying required BKM readings, though working through such material is encouraged to aid in comprehension.

Week 1
Introduction to the Investment Landscape
BKM: Chapters 1 & 2

Week 2
Portfolio Theory and Practice
BKM: Chapters 5-7

Week 3
Equilibrium in Capital Markets
BKM: Chapters 9-12

Week 4
Security Analysis: Top-down
BKM: Chapters 17 & 19

Week 5
Security Analysis: Bottom-up
BKM: Chapters 14 & 15

Week 6
Options, Futures and Other Derivatives
BKM: Chapters 20, 22 & 23

Week 7
Portfolio Performance Evaluation
BKM: Chapter 24
Course review & pre-final exam prep

Supplemental Materials

Supplemental materials, if any, requiring additional work on behalf of students will be posted to the course website at least one week prior to the due date.
Readings & Assignments: Additional required readings and/or individual assignments may be added to the course website.

Case Studies: Case assignments may be posted to the course website for presentation and discussion in class. Any case assignment will include specific instructions for preparing the case presentation and discussion. Instructions on how to access the case materials on Study.net are available in Carmen.

Speakers: Outside speakers may be invited to the class. Speakers, if any, will be encouraged to discuss topics directly relevant to the lesson plan for that class. Students may be tested on matters discussed by speakers if the professor deems them relevant to the course curriculum.