

SYLLABUS

Course Number: **BA 365**

Course Title: **Investments (Stock Market)**

Units: 3

Semester Offered: Spring 2009

Course Meeting Days: Saturdays

Course Meeting Time: 3:30PM to 6:15PM

Course Meeting Place: TBD

Instructor Information:

Name: Daniel Sevall

Office Phone: 650-380-0518 (cell)

e-Mail Address: dsevall@yahoo.com

Office Location: TBD

Office Hours: Saturdays at noon

1. Course Description: General Content of the Course

In-depth survey of the stock market. Topics include: the NYSE, the NASDAQ and other regional exchanges; the OTC market; stock price averages and indexes; trading securities; trading options; dividend policy; equity analysis; convertible security, and mutual funds. (3 units)

2. Course Student Learning Outcomes

By taking BA 366, students will demonstrate knowledge and understanding of the following:

- a. Read and Analyze Financial Statements by conducting advanced Financial Statement Analysis
- b. Fundamental and Technical Analysis
- c. Appreciation for stock portfolio management
- d. Grasp of various investment strategies ranging from aggressive to value plays.
- e. Understand the impact of dividend policies.
- f. Articulate all of the issues regarding the forecasting of a given company's stock price.

4. Texts and Resources

We will rely heavily on free financial websites like Yahoo! Finance and Google Finance.

Our course texts will be Fooled by Randomness: The Hidden Role of Chance in Life and in the Markets, Nicholas Nassim Taleb (2005) ISBN: 0812975219; The (Mis)Behavior of Markets: A Fractal View of Risk, Ruin and Reward, Benoit Mandelbrot (2006); ISBN 0465043577

5. Online Components of the Course

I will create a YahooGroups as a means of posting information, and offering an opportunity for you to ask questions regarding course material. I will plan on adding students to the Yahoo site, once the class rosters are finalized.

6. Academic Honesty Honor Code

The faculty, administration, and staff recognize their obligation to provide continuing guidance as to what constitutes academic honesty and to promote procedures and circumstances that will reinforce the principle of academic honor. Fundamental to the principle of independent learning is the requirements of honesty and integrity in the performance of academic assignments, both in the classroom and outside. Students should avoid academic dishonesty in all of its forms, including plagiarism, cheating, and other forms of academic misconduct. The University reserves the right to determine in any given instance what action constitutes a violation of academic honesty and integrity.

7. Diversity

A diverse classroom is a better classroom. Sharing our experiences and our ideas contribute to our better understanding of the material. I will be committed to ensuring that all students receive the attention needed to grasp the key accounting concepts for this class. To that end, all questions relating to the course material will be answered in a timely fashion.

8. Assessment

A. Exams:

- Students must take two midterms and a final exam. Each midterm will cover the material taught since the last midterm. The final exam is *comprehensive* and covers the material from the entire semester. Midterms and the final will be a combination of questions (multiple choice, short essay, and problem solving).
- Make-up exam policy: Students must take the exams as scheduled. No make-up exam will be given.
- Partial Credit is awarded on exams for problems (not multiple choice) when the computations are shown. Show all work on problems for maximum partial credit.
- Students may use laptops or programmable calculators. While these may help students in the calculation of certain accounting problems, ultimately the student will need to use critical reasoning to be successful in this course.
- Students may e-mail me to be informed of their respective grades.
- Be careful not to make careless mistakes on the exams.

B. Homework:

- Homework sets and due dates will be posted regularly.
- Solutions to some homework problems will be reviewed in class.
- Critical thinking essay, cases, and problems are included as part of the regular homework and class demonstration problems.

C. Stock Portfolio Management Project:

This is an individual project. Each student will manage an imaginary one-million dollar portfolio beginning on February 1st, 2009. This project will be similar in nature to CNBC's Million Dollar Portfolio Challenge.

Each week, students will report on the performance of their respective portfolios and explain why they made particular trading decisions. Every month, students will submit a report quantifying how much they have gained or lost during that particular month.

The objective is not necessarily to maximize their portfolio, but rather to gain an understanding of how to invest in either the NYSE or NASDAQ stock exchanges. Successful students will be able to articulate the reasons why they made the investment in a stock (not whether their stocks went up or down).

At the end of the term, students will submit a comprehensive report with spreadsheets and graphs, detailing the performance of their respective portfolio.

9. Grading

Midterm	30%
Attendance and Class Participation	10%
Homework	10%
Stock Portfolio Project	15%
Final	35%
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Total	100%

Letter grades will be given based on the following scaling:

A	90 - 100
B	80 - 89
C	70 - 79
D	60 - 69
F	0 - 60

10. Expectations for Students

A. Attendance:

- Attendance at all classes is essential to acquiring the requisite information for successful completion of this course. The topics covered in this course are much

related to each other. If you miss a lecture, it would be hard to catch up. Exams will be based on information and problems presented in class. Roll will be taken at the beginning of each session. Students are expected to show up to every class meeting and stay for the entire period.

- Students may attend either session of the lecture as space permits. Students must attend the exams during the session in which they are registered unless prior permission is obtained.
- Loss of seat in class: If you are a registered student whose name has appeared on the class roster and you miss the initial class meeting and do not contact the instructor about your intent to attend by the second class meeting, the instructor may, in consultation with the department chairperson, permit another student to take your seat.
- Students are required to inform the instructor in advance by email or verbally in case of not being able to attend class.

B. Class Participation:

- Class participation is very essential to learning this subject. Be prepared to participate in class discussions (answering the questions and solving the problems), group work, and reviewing the homework.

C. Student Code of Conduct:

- Students are expected to respect the instructor and each other. Students must turn off their cell phones and pagers during the entire class time.

11. Course Schedule

Include dates of class meetings, topic, assignments, and assignment due dates.

Week	Thu
1	Jan 17 th Introduction; Stock Market Terminology; “Can we make money in the stock market?”
2	Jan 24 th Ch. 1-2 Fooled by Randomness
3	Jan 31 st Portfolio Theory: Submittal of a stock portfolio
4	Feb 6 th Ch 3-4 Fooled by Randomness; Fundamental vs Technical Analysis
5	Feb 13 th Stock Valuation: Discounted Cash Flows; Dividend Growth Model
6	Feb 20 th

	Provide Status Report on Stock Portfolio
7	Feb 27 Complete Fooled by Randomness
8	Mar 6 th Midterm Exam
9	Mar 13 th (Mis)Behavior of Markets
10	Mar 20 th Options: Puts and Calls
11	Mar 27 th (Mis)Behavior of Markets
12	Apr 3 rd Provide Status Report on Stock Portfolio
13	Apr 10 th NO CLASS
14	Apr 17 th Value vs Growth Investing
15	Apr 24 th Current Stock Market Climate
16	Apr 27th Review

12. Disclaimer

This syllabus is subject to modification. I am committed to letting students know changes to the syllabus as soon as feasible.