

**UNIVERSITY OF PUERTO RICO
RIO PIEDRAS CAMPUS
BUSINESS ADMINISTRATION FACULTY
GRADUATE BUSINESS SCHOOL**

PRONTUARIO

- I. COURSE TITLE:** Investments
- II. CODIFICATION:** FING 6707
- III. HOUR CREDITS:** 3 Credits/Hours
- IV. PRE-REQUISITES:** Managerial Finance (FING 6501) and Accounting for Analysis and Control (ACCTG 6501)
- V. COURSE DESCRIPTION:**

The analysis of principles and practice of investments are stressed. The elements of the process of investing money and the establishment of criteria in the selection of various investment choices are examined. Simulation and mathematical programming techniques are used.

En este curso, el análisis de los principios y la práctica de inversiones son discutidos. Los elementos del proceso de invertir dinero y el establecimiento de criterios en la selección de las varias opciones de inversión son examinadas. La simulación y programación matemática serán técnicas a utilizarse.

VI. COURSE OBJECTIVES & LEARNING OUTCOMES:

At the end of this course the student should be able to:

1. Understand the process for investing in capital markets
2. Know the essential analytical tools for carrying out investment
3. Understand the theory and application of investments
4. Understand how the different economic agents behave in the financial markets.
5. Know how to apply quantitative analysis to the investment process.

This course is designed to enable students to develop the following competencies:

1. Communication skills - Team work for exercises, problems and cases; interact effectively with individuals and groups
2. Information technology skills - The use of spreadsheets, word processor and internet for accounting problems solutions

3. Ethical Reasoning - Cases discussions
4. Analytical skills - Cases and problems solutions; use quantitative reasoning processes to understand, analyze, and solve accounting problems

VII. COURSE CONTENT:

Content		Hours
I.	Introduction A. The investment Environment B. Markets and Instruments C. How Securities are Traded D. Concepts and Issues	7
II.	Portfolio Theory A. Risk and Risk Aversion B. Capital Allocation between The Risky and The Risk-free Assets C. Optimal Risky Portfolios	6
III.	Equilibrium in Capital Markets A. The Capital Asset Pricing Model B. Index Model C. Arbitrage Pricing Theory D. Empirical Evidence on Security Returns E. Market Efficiency	8
IV.	Fixed-Income Securities A. Bond Prices and Yields B. The Term Structure of Interest Rates C. Fixed-Income Portfolio Management	6
V.	Security Analysis A. Macroeconomic and Industry Analysis B. Equity Valuation Models C. Financial Statement Analysis	5
VI.	Options, Futures and Other Derivatives A. Options Markets: Introduction B. Option Valuation C. Futures Markets	5
VII.	International Investments A. Why Invest Outside U.S.? B. Portfolio Benchmark C. Currency Decisions	5
VIII.	Final Exam	3
Total Contact Hours		45

VIII. REQUIRED LEARNING RESOURCES:

PowerPoint materials, calculator, library materials, the internet, and handouts supplied by instructor.

IX. INSTRUCTIONAL STRATEGY (Teaching Methodology):

Although determined by the individual instructor, traditionally this course will incorporate the following teaching/learning methods:

- Lectures
- PowerPoint Presentations
- Presentation and discussion of solutions to problems, cases, exercises, and projects

X. EVALUATION STRATEGY:

Mid-Term	25%
Final Exam	30%
Class participation/ Readings	15%
Special Project	10%
Term Paper	20%

**De ser necesario se realizará una evaluación diferenciada a estudiantes con necesidades especiales.*

XI. ASSESSMENT STRATEGY:

During the semester the professor will be using several techniques that will help him to determine your level of learning. The main purpose is to help students identify how much and how well they are learning and to detect areas that may need reinforcement before determine the final grade. These techniques will also help the professor to use more effective teaching strategies. Among others, we could use:

- Pre-Post Test
- Homework

XII. GRADING SYSTEM:

100-90%=A, 89-80%=B, 79-70%=C, 69-60%=D and 59-0%=F

XIII. LAW 51 - VOCATIONAL REHABILITATION:

According to the Law of Integral Educational Services for Individuals with Disabilities, students who require reasonable accommodation should notify the instructor the first day of class. Students receiving VR services should contact the teacher at the beginning of the semester to plan reasonable accommodation and assistive equipment necessary as recommended Affairs Office for

Persons with Disabilities (OAPI) of Dean of Students. Even those students that need some special assistance or accommodation should contact the teacher.

Certification # 99 (01-02) of the Academic Senate, Act 51 of 1996 (Act Integral Educational Services for people with disabilities) and Certification 130 (1999-2000) of the Board of Trustees.

XIV. CONDUCT SUBJECT TO DISCIPLINE:

The General Student Regulations of the University of Puerto Rico, Certificate 13, 2009-2010, and approved by the Department of State of Puerto Rico on September 9, 2009, Part VI, Section 6.2, provides students behavior subject to disciplinary sanctions. Among them is academic dishonesty, which involves disciplinary sanctions as provided in this regulation.

XV. BIBLIOGRAPHY:

- Bodie Zvi, Kane Alex, and Marcus Alan J., Investments. 9ed., McGraw Hill, (2010)
- Sharpe, William C., Bailey, Jeffrey W., Alexander Gordon J., Investments. 6ed., McGraw Hill, (2004)

Electronic References:

<http://www.bloomberg.com/>

<https://nyse.nyx.com/>

<http://www.nasdaq.com/>

<http://www.standardandpoors.com/home/en/us>

<http://www.phlx.com/>

<http://www.forbes.com/markets/>

<http://www.marketwatch.com/>

*Revised on January 24, 2013.