



**QUINLAN**  
SCHOOL of BUSINESS

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## Finance 452 – Investments Spring 2019

**Instructor:** A. P Vignola

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**Office Phone:** 312-375-9778

**Office Hours:** Wednesday

### Course Description:

- This course includes the topics of asset pricing models; risk and return, of stocks, bonds and cash equivalents; portfolio theory, bond pricing, the term structure of interest and immunization strategies in managing fixed income securities.

### Course Overview:

Students will be able to demonstrate the analytical tools and finance theory necessary for making good investment decisions and understanding the pricing of financial securities

### Course Objectives and Learning Outcomes

Identify appropriate investment objectives for various individuals and firms.  
Create and maintain a balanced portfolio within the investment objective.  
Understand systemic and non- systemic risks.

### Required Materials

- Fundamentals of Investing, 12ed, Smart, Gitman and Jolink.
- Psychology of Investing , 6ed, Nofsinger, John
- Handout material will replace a few chapters

### Course Requirements and Grading Criteria

Exam: midterm 25%, final 50%

If a student does not take the midterm exam the weight will shift to the final exam, thereby making the **final weight 75%.**

Projects: 15% Oral and written format I will **not** accept late projects, more regarding the project will be discussed on the second day of class.

Homework: 10%. In typed format, I will **not** accept late homework or electronic format, (student must be present in class) if a student misses three or more assignments the 10% will automatically go to **ZERO**.

## **Attendance**

Class attendance is mandatory and essential to the value of the learning experience. Students are expected to attend all class sessions in order to pass the course. Missing more than 20% of scheduled classes severely jeopardizes the student's ability to pass the course.

In the event unavoidable emergencies or conflicts prevent you from attending class, you must notify the instructor and program director by e-mail prior to missing the class, and request options for covering missed material. Most of the subjects in a course are sequential. Therefore, it is important to understand the material covered in the missed class before the next class.

## **Make-Up Examinations/Assignments**

Loyola University academic policy provides that tests or examinations may be given during the semester or summer sessions as often as deemed advisable by the instructor. Because Quinlan faculty believe examinations represent a critical component of student learning, required examinations should be taken during the regularly scheduled class period. **Make-up examinations are discouraged.** Exceptions may be granted only by the faculty member or department chair, and only for unavoidable circumstances (illness verified by a signed physician's note, participation in intercollegiate athletic events, subpoenas, jury duty, military service, bereavement, or religious observance). A make-up final examination may be scheduled only with the permission of the appropriate Quinlan Assistant or Associate Dean.

If a make-up examination must be given, it is the responsibility of the faculty member to prepare, schedule, and proctor the exam. Limited assistance in proctoring make-up exams may be available through a designated Quinlan administrative assistant. For a student with a documented special testing need, please consult University policy concerning use of the testing center in Sullivan Center at Lake Shore Campus.

## **Academic Integrity**

All members of the Quinlan School shall refrain from academic dishonesty and misconduct in all forms, including plagiarism, cheating, misrepresentation, fabrication, and falsehood...Plagiarism or cheating on the part of the student in individual or group academic work or in examination behavior will result minimally in the instructor assigning the grade of "F" for the assignment or examination. In addition, all instances of academic dishonesty must be reported to the chairperson of the department involved.

For further information about expectations for academic integrity and sanctions for violations, consult the complete Quinlan School of Business Honor Code and Statement of Academic Integrity on the Quinlan website:

<http://www.luc.edu/media/lucedu/quinlanschoolofbusiness/pdfs/Honor-Code-Quinlan-July2012.pdf>

## Class Reading Assignments for the Investment Textbook

02/21 General Intro / Investment Environment Ch. 1:	Problem 1, 2, 3
02/28 Securities Markets and Transactions Ch. 2	Problems 1.2.5.6.7
03/07 Spring Break	
03/14 Investment Information Ch.3, Time Value of Money Ch.4	Problems 1, 5, 6 7 Problems 1, 2, 4, 6
03/21 Portfolio Management Handout Material	TBA
03/28 Midterm Exam	
04/04 Common Stock Ch. 6	Problems 1, 2, 3 6
04/11 Fixed Income Handout Material	TBA
04/18 NO CLASS	
04/25 Options Puts and call Ch.14 Futures Markets Ch.15	Problems 1,2,5,6 Problems 1, 3, 4
05/02 Projects Oral Presentations/Hard Copy due	
05/09 Final Exam	

## Psychology of Investing

02/28 Psychology of Finance Ch. 1, Overconfidence Ch.2 Pride /Regret Ch.3
03/14 Risk Perceptions Ch.4, Decision Frames Ch.5 Mental Accounting Ch.6 Forming Portfolios Ch.7, Representativeness /Familiarity Ch.8
03/21 Social Interaction/ Investing Ch.9
04/08 Emotion/Decisions Ch. 10, Self-Control Ch. 11

### **Additional Information**

- To minimize distractions, laptops, tablets, smart phones must be closed during class
- All cell phones must be placed on vibrate during class. **No texting during class.**

**Please note:** This class may occasionally deviate from the course outlined above. The instructor reserves the right to make changes as needed to the course syllabus.