**Instructor**: Dr. Stephen Rush, CFA **Phone:** 419.372.8972 **E-mail:** [*srrush@bgsu.edu*](mailto:srrush@bgsu.edu)

**Office Location and Office Hours**: Business 214 Tuesday 9:20 am -10:30 am and Thursday 3:30-4:30 pm or by appointment. If a student makes an appointment outside of normal office hours and does not show up, no more appointments will be made for the semester.

**Text**: *Investments 10E with Connect* by Bodie, Kane and Marcus, **ISBN:** 9781259162329

Connect Registration Site: <http://connect.mheducation.com/class/s-rush-fall-2017>

(Connect is included with a new textbook or may be purchased separately from the publisher.)

Any recent editions of physical textbooks are fine but the Connect access code must be for the 10th edition.

**Grading**: Tests will be given during regularly scheduled classes. There will be no makeup tests for any reason. Students missing a test with a valid note from a physician will receive the average of their remaining test grades. Students missing a test without such a note will receive a zero. The online component of this course “Connect” is required to receive credit for homework. Printed homework from Connect will not be accepted.

**Exams:** Exams increase in level of difficulty. The midterm grade can be replaced with the final exam grade. Students missing the final exam will not receive credit. The final exam is cumulative but is weighted towards the most recent material covered in class. You may bring a 3x5 card to each exam.

**Homework:** Connect assignments will be available for the entire semester. Only your last score will count toward your final grade. You have three attempts to complete each assignment. The recommended process is to do each assignment once before the lecture, after the lecture, and before the final exam. Prep Courses are optional and do not count toward your grade. All Connect homework will be due by midnight on the Friday before final exam week.

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| **Assignment** | **Weight** |  | **Score** | **Grade** |
| Relative Value | 5% |  | 90 – 100 | A |
| Portfolio Optimization | 10% |  | 80 – 89 | B |
| Efficient Frontier | 5% |  | 70 – 79 | C |
| Estimate Beta | 10% |  | 60 – 69 | D |
| Midterm Exam | 15% |  | < 60 | F |
| Final | 15% |  |  |  |
| Excel Project | 15% |  |  |  |
| Homework | 25% |  |  |  |
| **Total** | **100%** |  |  |  |

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| **Week** | **Topic and Chapter** | **Deliverable** |
| 1 | Introduction, Bloomberg, and Chapter 3: Securities Markets | Form Groups |
| 2 | Chapter 5: Risk, Return, and History | Relative Value |
| 3 | Chapter 6: Portfolio Theory |  |
| 4 | Chapter 7: Portfolio Theory | Portfolio Optimization |
| 5 | Chapters 8-9: CAPM | Efficient Frontier |
| 6 | Chapter 10: Arbitrage Pricing Theory and Multifactor Models | Estimate β using Excel |
| 7 | Chapters 11-13: EMH and Behavioral Finance |  |
| 8 | Fall Break and Review |  |
| 9 | **Midterm Exam** |  |
| 10 | Chapter 17: Macroeconomic and Industry Analysis |  |
| 11 | Chapter 18: Equity Valuation |  |
| 12 | Chapter 19: Financial Statement Analysis |  |
| 13 | Chapters 20: Option Pricing |  |
| 14 | Thanksgiving |  |
| 15 | Chapter 21: Options |  |
| 16 | Chapters 22-23: Futures | Equity Analysis |
| 17 | **Final Exam** (Comprehensive) | Connect Homework |

**Student Learning Outcomes:** Upon completion of this course, students are expected to

* Demonstrate an understanding of risk and return
* Price equities and options
* Construct efficient portfolios

**Assessment:** The learning outcomes will be assessed using exams, homework assignments, and applications in Excel.