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LSC Use Only No:	LSC Action-Date:	UWUCC USE Only No.	UWUCC Action-Date:	Senate Action Date:
		06-21	W-4/15/11	

Curriculum Proposal Cover Sheet - University-Wide Undergraduate Curriculum Committee

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Proposing Department/Unit Finance and Legal Studies	Phone 7-4096

Check all appropriate lines and complete information as requested. Use a separate cover sheet for each course proposal and for each program proposal.

1. Course Proposals (check all that apply)

<input checked="" type="checkbox"/> New Course	<input type="checkbox"/> Course Prefix Change	<input type="checkbox"/> Course Deletion
<input type="checkbox"/> Course Revision	<input type="checkbox"/> Course Number and/or Title Change	<input type="checkbox"/> Catalog Description Change

<i>Current Course prefix, number and full title</i>	FIN 415/515 Investing in the Stock Market <i>Proposed course prefix, number and full title, if changing</i>
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2. Additional Course Designations: check if appropriate

<input type="checkbox"/> This course is also proposed as a Liberal Studies Course.	<input type="checkbox"/> Other: (e.g., Women's Studies, Pan-African)
<input type="checkbox"/> This course is also proposed as an Honors College Course.	

3. Program Proposals

<input type="checkbox"/> New Degree Program	<input type="checkbox"/> Program Title Change	<input type="checkbox"/> Other
<input type="checkbox"/> New Minor Program	<input type="checkbox"/> New Track	

<i>Current program name</i>	<i>Proposed program name, if changing</i>
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4. Approvals	Date
Department Curriculum Committee Chair(s) <i>Robert Bolden</i>	<i>10/25/06</i>
Department Chair(s) <i>Ibrahim Affaneh</i>	<i>10/25/06</i>
College Curriculum Committee Chair <i>Robert Wilkie</i>	<i>10/25/06</i>
College Dean <i>Robert C. Long</i>	<i>10/30/06</i>
Director of Liberal Studies *	
Director of Honors College *	
Provost *	
Additional signatures as appropriate: (include title)	
UWUCC Co-Chairs	

* where applicable

Received

NOV - 9 2006

Liberal Studies

SYLLABUS OF RECORD

I. Catalog Description

FIN 415/515 Investing in the Stock Market

1 class hour

0 lab hours

1 credit

(1c-0l-1cr)

The course will cover the functions of the stock market, including setting investment goals, choosing the right type of stock, allocating funds to different stocks achieving desired investment goals, determining methods for analyzing and picking stocks, and evaluating the performance of the stock portfolio.

II. Course Outcomes

Students will be able to

1. Define investor's objectives as growth, income, balanced or speculation
2. Evaluate stocks using the different methods to identify undervalued, overvalued, or fairly valued stocks.
3. Calculate the intrinsic value of the stock and compare it with its market.
4. Analyze companies and compare them with their industries and competitors using financial ratios.
5. Construct a portfolio of different stocks
6. Evaluate the performance of their portfolio using different methods, such as return, risk, and beta.

Additional goals for graduate students:

7. Graduate students additionally must prepare a written report that covers economic and financial factors that affect the changes in the portfolio.
8. Graduate students must also use advanced methods of evaluating portfolio performance including the Sharp ratio, Treynor ratio, and Jensen's alpha.

III. Course Outline

- A. Introduction to Investing in the Stock Market (1 hour)
 1. Setting Goals and Assessing Risks and Rewards [**Report 1 – Set Investment Goals**]
 2. Types of Stock Exchanges in the U.S. Market: National and Regional

2. Weighted-Average Risk
3. Mutual Funds
- I. Performance Evaluation (1 hour) [Report 9 – Calculate the Two Ratios on the Constructed Portfolio]
 1. Sharp Ratio
 2. Treynor Ratio
- J. Options (1 hour) [Report 10 – Use Options to Buy and Sell Stocks that have Options]

IV. Evaluation Methods

There will be ten reports and each report will be valued at ten points. So the final grade will be out of one-hundred points. The reports will be graded based on the performance of the stocks (3 points), the quality of the report (3 points), and the performance of the portfolio (4 points), in light of achieving the investment goal. The undergraduate total will be 100 points.

Graduate students will be required to submit a comprehensive report relating to changes in the portfolio structure and economic including financial factors which caused these changes. The total will be 120 points. (10 points for each of the required reports and 20 points for the comprehensive report)

The undergraduate grading scale will be as follows:

A: 90-100% B: 80-89% C: 70-79% D: 60-69% F: <60%

The graduate grading schedule will be as follows:

A: 90-100% B: 80-89% C: 70-79% F: <70%

V. Attendance Policy

There is no formal attendance policy, although it is very essential to attend class because this is a hands-on learning experience. The class will be held in the trading room, using real-world companies and data, as reported on the stock market.

VI. Required Textbooks, Supplemental Books and Readings

Required Text: *Getting Started in Stocks*, 3rd Ed., by Alvin D. Hall, John Wiley and Sons, Inc., New York, 1997

Supplemental Readings: *The Wall Street Journal* or *Barrons*, plus handouts from the instructor

VII. Special Resource Requirements

Access to the Internet for stock market quotes and current data is necessary to complete the assigned reports (available in the Trading Room).

VIII. Bibliography

- Durell, P. (2006). "5 Secrets of Buying Dream Stocks at Bargain Prices," *Montley Fool Inside Value* (September 2006): 1-7.
- Glett, B. (2003). *Stock Market Stratagem: Loss Control and Portfolio Management Enhancement*. Mason: Thomson Learning.
- Graham, B. (1973). *The Intelligent Investor: The Classic Bestseller on Value Investing*. New York: Harper & Row, Publishers, Inc.
- Harris, L. (2003). *Trading and Exchanges: Market Microstructure for Practitioners*. New York: Oxford University Press, Inc.
- Hooke, J. (1998). *Security Analysis on Wall Street*. New York: John Wiley & Sons, Inc.
- Levy, L. (2002). *The Mind of Wall Street*. New York: PublicAffairs.
- Mass, N. (2005). "The Relative Value of Growth," *Harvard Business Review* (April 2005): 102-112.
- Murphy, P. (2005). "Methodology, Analysis, & Performance Attribution," *Standard & Poor's Stock Appreciation Ranking System (STARS)* (June 2005): 5-69.
- Nofsinger, J. (2002). *The Psychology of Investing*. New Jersey: Prentice Hall.
- Santicchia, M. and Murphy, P. (2005). "Portfolio Performance, Risk, and Fundamental Analysis," *Standard & Poor's Quality Rankings* (October 2005): 4-34.
- Teweles, R. and Bradley, E. (1998). *The Stock Market*. New York: John Wiley & Sons, Inc.
- Thomas, D. (2001). *The Plungers and the Peacocks: 170 Years of Wall Street*. New York: Texere.

Additional Readings for Graduate Students:

Bali, Turan, Nusret Cakici, Xuemin Yan, and Zhe Zhang, 2005. "Does Idiosyncratic Risk Really Matter?," *The Journal of Finance*, 60:2, 909-929.

Bin, Feng-Shun, Lloyd P. Blenman, and Dar-Hsin Chen, 2004. "Valuation Impact of Currency Crises: Evidence from the ADR Market," *International Review of Financial Analysis* 13, 411-433.

Callaghan, Sandra R. and Christopher B. Barry, 2003. "Tax Induced Trading of Equity Securities: Evidence from the ADR Market," *Journal of Finance* 58, 1583-1611.

Chaudhry, Mukesh, Suneel Maheshwari, and James R. Webb, 2004. "REITs and Idiosyncratic Risk," *Journal of Real Estate Research* 26, 207-223.

Jacobs, Kris and Kevin Q. Wang, 2004. "Idiosyncratic Consumption Risk and the Cross Section of Asset Returns," *Journal of Finance* 59, 2211-2253.

Gorman, Larry R., Arvind Mahajan, and Robert A. Weigand, 2004. "The Ex-Dividend Day Behavior of American Depository Receipts," *Journal of Multinational Financial Management* 14, 1-19.

Siegel, Jordan, 2005. "Can Foreign Firms Bond Themselves Effectively by Renting U.S. Securities Laws?," *Journal of Financial Economics* 75, Issue 2, 319-359.