

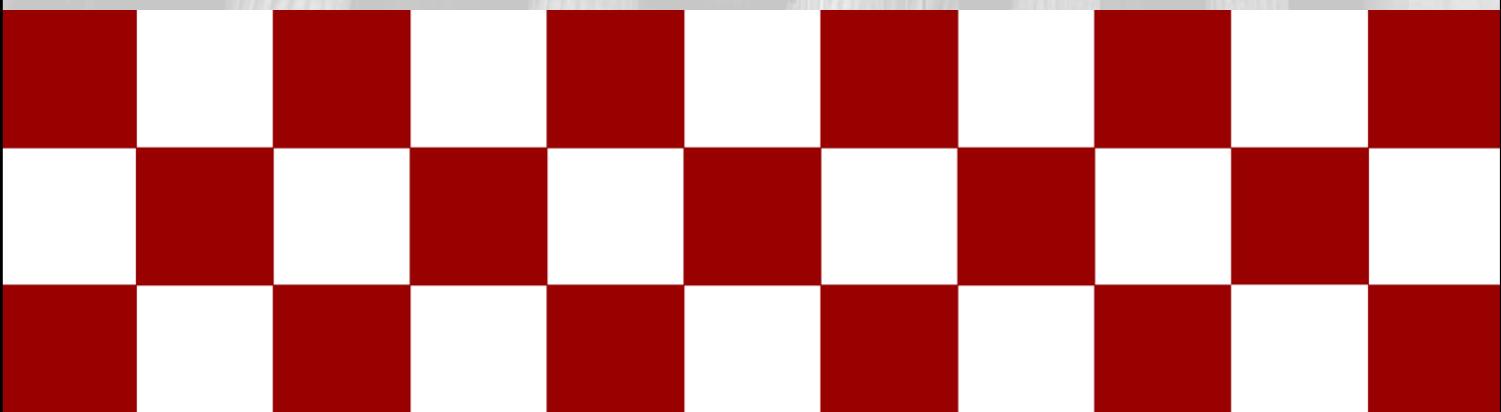


**ROBINS**  
School of Business™

# **FIN 366: INVESTMENTS**

## **SYLLABUS**

Professor: Joseph Farizo





# FIN 366: INVESTMENTS

SYLLABUS  
ROBINS SCHOOL OF BUSINESS

Welcome to Finance 366! This is an exciting course that will introduce you to the investing process, securities, and valuation. Upon completion, you will have a better understanding of how financial markets work. Additionally, you will recognize the role that financial instruments play in saving and investing, and how one should develop a suitable portfolio.

Throughout the semester, we will observe how theory plays out in practice. We will follow relevant financial news and build simulated portfolios. We will apply models we learn about to real-world financial data. Finally, we conclude with a comprehensive group assignment designed to enhance your understanding of all we have learned while improving your research and technical skills.

My goal is to help you succeed, not just in the classroom but in your career. If ever you feel you are falling behind (or need more of a challenge), please contact me. I am *always* happy to help. I look forward to this semester and hope you find this class useful, relevant, and rewarding.

- *Joe*

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# FIN 366: INVESTMENTS

COURSE SYLLABUS  
ROBINS SCHOOL OF BUSINESS

## PROFESSOR

Joseph (Joe) Farizo, PhD.

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## CLASS TIMES & LOCATIONS

Sec 01: MW 9:00 –10:15am (BUS Q282)  
Sec 02: MW 10:30 –11:45am (BUS Q282)  
Sec 03: MW 12:00 – 1:15pm (BUS Q282)

## OFFICE HOURS (RSB 329)

By appointment at [josephfarizo.com](mailto:josephfarizo.com).

## TOPICS

1. Market Efficiency and Anomalies
2. Financial Instruments and Markets
3. Institutions and Investors
4. Risk, Return, and Diversification
5. Security Valuation & Analysis

## ASSIGNMENTS & POINTS

Exams (3 total)	700
Problem Sets (7 total)	150
Group Project	100
Trading Game	50
Professionalism (see below)	--
Total	1000

## GRADING SCALE

A	930+	C	730
A-	900	C-	700
B+	870	D+	670
B	830	D	630
B-	800	D-	600
C+	770	F	Below

## COURSE DESCRIPTION

Finance 366 provides a foundation in the basic terminology, theory, concepts, and applications used in modern investing. Prerequisites: FIN 360 credit, business school major.

## OBJECTIVES AND GOALS

- Understand key investment concepts and theories relating to risk, return, valuation, asset pricing models, markets, financial institutions, and performance evaluation.
- Develop an ability to follow relevant financial news, comprehend market data, and understand financial asset price movements.
- Become familiar with the investment process, understand how to build and evaluate a portfolio, and know how to formulate an investing strategy.

## A TYPICAL CLASS DAY

We begin by discussing financial news and upcoming events in the class and at UR/Robins before moving on to the lecture. Each section has accompanying lecture notes posted to the course website. Review and bring these notes to class, either printed or on an iPad/tablet. I recommend taking notes directly on the lecture notes themselves. You may be called on to participate.

## MATERIALS

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1. **Course Files** (Required): [www.josephfarizo.com/fin366.html](http://www.josephfarizo.com/fin366.html)
2. **StockTrak** (Required): link provided in a separate document (~\$34)
3. **Financial Calculator** (Required): TI BA II Plus [tinyurl.com/fincalc366](http://tinyurl.com/fincalc366) (~\$40)
4. **News Subscriptions** (Required): [libguides.richmond.edu/newsources](http://libguides.richmond.edu/newsources)
5. **Microsoft Office 365 - Word, Excel** (Required): [tinyurl.com/ur365office](http://tinyurl.com/ur365office)
6. **Adobe Scan** (Required): [tinyurl.com/FIN366scan](http://tinyurl.com/FIN366scan)
7. **Textbook** (Optional): *Investments*. Bodie, Kane, Marcus (\$68) [tinyurl.com/bkm13ed](http://tinyurl.com/bkm13ed)

## GRADED ASSESSMENTS

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### EXAMS (700 POINTS)

	Date	Expected Material	Points
Exam 1	Mon., 2/16	§1. Efficient Markets & Behavioral Critique §2. Markets & Indices §3. Equity Securities §4. Fixed Income & Rates §5. Options and Derivatives	200
Exam 2	Mon., 3/23	§6. Investment Vehicles §7. Risk and Return §8. Capital Allocation §9. Efficient Diversification §10. Optimal Risky and Complete Portfolios	200
Final Exam	Finals Week	<u>New Material</u> §11. CAPM and Multifactor Models §12. Equity Valuation: Intrinsic Values and DDM §13. Equity Valuation: FCF and Comps §14. Bond Valuation and Portfolios  <u>Cumulative Material</u> Exam 1 Questions (§1 – §5) Exam 2 Questions (§6 – §10)	300

*Topics and dates are subject to change.*

A reference sheet with key formulas will be provided for all exams. Material that may be tested on exams includes:

- lectures, lecture notes, handouts
- professor and student discussions
- assigned outside readings
- computations like problem sets and Excel problems
- course material as posted to the website
- relevant outside resources and websites discussed in class
- current financial news

Exams are closed-book and closed-notes and may consist of:

- multiple-choice
- computations
- fill-in-the-blank
- true/false
- short answer
- essay
- analyzing graphics and data

Final exams occur at the dates and times in the table below. Because I am unable to accommodate every student request to move exams, you must sit for the exam with your assigned section. You may not move your exam earlier, nor push your exam back (unless University policy dictates otherwise). This policy also applies to Exams 1 and 2. Be sure to make all end-of-semester travel arrangements with this policy in mind.

Section	Final Exam
9 am	Monday, April 27 @ 9am
10:30 am	Wednesday, April 29 @ 9am
12:00 pm	Tuesday, April 28 @ 9am

## PROBLEM SETS (150 POINTS)

Each problem set is a low-stakes assignment meant to test your understanding of quantitative aspects of the course. Each student's problem set is unique, but working in groups is encouraged. All assignments are submitted through the course website, and late assignments are not accepted.

	Due Date	Expected Material	Points
PS 1	Announced in class and through email.	§3 – §5	20 points each. (*30 points.)
PS 2		§6 – §7	
PS 3		§8 – §10	
PS 4		§11	
PS-Excel*		§11 (Excel based)*	
PS 5		§12 – §13	
PS 6		§14	

## **STOCK|TRAK TRADING GAME (50 points)**

Throughout the semester, you will apply the techniques we learn about in class to construct and monitor a portfolio. You will produce documentation supporting your strategies and performance. A *small* portion of your grade is tied to how well you perform relative to your peers, with a chance to win a few bonus points if you outperform the professor.

## **FINAL GROUP PROJECT (100 POINTS)**

You will work in groups to produce a comprehensive report due near the end of the semester. The report will include elements of market research, valuation, and portfolio construction.

## **GRADING SCALE**

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To calculate your final grade, add up your points across all assignments and compare the sum to the following table.

A	930+	B-	800	D+	670
A-	900	C+	770	D	630
B+	870	C	730	D-	600
B	830	C-	700	F	Below

The grade thresholds in the above table are absolute: you cannot petition for an 899 to be rounded up to an A- (and so on). You must notify the instructor within one week of a graded assignment to investigate potential grading errors. No grading adjustments will be made after the semester has concluded, nor will any extra credit or bonus assignments be made available at that time.

## **EXPECTATIONS**

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### **PROFESSIONALISM**

To ensure a productive and respectful learning environment, we will be bound by professionalism standards. Consistent engagement and adherence to these standards will help you, and others, succeed in this course.

A small deduction to your overall score (*5 points per instance*) will be applied for issues pertaining to the following list.

- Missing a scheduled office hour appointment (cancel 8 hours prior to avoid the penalty).
- Missing class or tardiness for an unexcused reason.
- Chatting with others during lecture.
- Using your phone during class.
- Using your laptop during class. While laptops are prohibited, iPads and tablets are fine if used to take written notes.
- Exiting and reentering during lecture. (Leaving early but not reentering due to emergencies or with prior approval of the instructor is *not* penalized.)

- Consistent inability to meaningfully participate when called upon in class.
- Failure to complete occasional brief tasks and assignments (i.e., resume submission.)
- Behaving in a way that lacks courtesy or is disruptive to the class.

Students with approved disability accommodations may be granted specific exemptions from select policies, as outlined in their accommodation plan.

Point deductions are intended as gentle reminders, not major penalties, and have been *very rare* in the past. These policies aim to foster a positive and respectful class environment for everyone. If you have questions or challenges meeting these expectations, please contact me – I am here to support you!

## **DEADLINES & MAKEUPS**

Late assignments and missed exams receive a score of 0%. The only exceptions include (1) *serious* illness to you or an immediate family member (spouse by marriage, parent, sibling, grandparent), and (2) University-sponsored academic or athletic functions. Advance notice and documentation must be provided when possible. Documented excuses will not be accepted if they are not provided within one week of the missed assignment.

The makeup exam day for excused absences is tentatively scheduled for April 10.

## **ATTENDANCE**

While you are expected to attend and participate in class, do not come to class if you feel ill. Notify me and schedule an appointment if necessary. Attend only the class section for which you are registered.

In addition to the attendance expectation outlined in the professionalism policy above, Robins School of Business rules state that any student missing more than 25% of class meetings (or more than 7 classes) for *any* reason cannot earn credit for the course.

## **WORKLOAD**

Per the Registrar's Office:

**“** *An undergraduate unit is based on “time-on-task” as a standard and recognizes 10-14 hours per week as the minimum time that a typical good student should need to spend on a course, if that course is sufficiently challenging and if that student is to achieve a high level of learning.* **”**

You should therefore expect to work 10 to 14 hours per week outside of class time, at a minimum, to do well. An hour or two every day of uninterrupted and focused work is optimal.

## **ACADEMIC HONESTY**

Cheating will result in a 0% score on that assignment. The student will be reported, which may result in probation, suspension, or expulsion from the University.

## **FEEDBACK**

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I take feedback seriously and offer multiple ways for you to let me know your opinions. I will occasionally send surveys to gather thoughts about the course. An online “Suggestion Box” is available at <https://forms.gle/yHUDfc9Cv3e3HsEH7>. Unless otherwise specified, these surveys are anonymous.

## TENTATIVE COURSE SCHEDULE

Week	Date		Agenda Items
1	1/12		
	1/14		
2	1/19	MLK Day	§1. Efficient Markets & Behavioral Critique §2. Markets & Indices §3. Equity Securities §4. Fixed Income & Rates §5. Options and Derivatives
	1/21		
3	1/26		
	1/28		
4	2/2		
	2/4		
5	2/9		
	2/11		
6	2/16		<b>Exam 1</b>
	2/18		
7	2/23		
	2/25		
8	3/2		
	3/4		
9	3/9	Spring	
	3/11	Break	
10	3/16		
	3/18		
11	3/23		<b>Exam 2</b>
	3/25		
12	3/30		
	4/1		
13	4/6		
	4/8		
14	4/13		
	4/15		
15	4/20		
	4/22		
Finals	4/27 – 5/2		<b>Final Exam</b>

*All dates and topics subject to change.*

# APPENDIX

# UNIVERSITY RESOURCES

## WEINSTEIN LEARNING CENTER

The Weinstein Learning Center is your go-to destination for academic support. To learn more and view service schedules and appointment times, visit [wlc.richmond.edu](http://wlc.richmond.edu). Available services at the Weinstein Learning Center include:

### ACADEMIC SKILLS COACHING

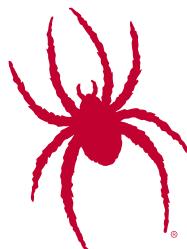
Meet with a professional staff member who will collaborate with you to assess and develop your academic and life skills (e.g., critical reading and thinking, information conceptualization, concentration, test preparation, time management, stress management, and more).

### CONTENT TUTORING

Peer consultants offer assistance in specific courses and subject areas. They are available for appointments (in-person and virtual) and drop-in sessions. See schedules at [wlc.richmond.edu](http://wlc.richmond.edu) for supported courses and drop-in times.

### ENGLISH LANGUAGE LEARNING

Attend one-on-one or group consultations, workshops, and other services focused on English, academic, and/or intercultural skills.



### QUANTITATIVE AND PROGRAMMING RESOURCES

Peer consultants and professional staff offer workshops or one-on-one appointments to build quantitative and programming skills and provide statistical assistance for research projects.

### SPEECH AND COMMUNICATION

Prepare and practice for academic presentations, speaking engagements, and other occasions of public expression. Peer consultants offer recording, playback, and coaching for both individual and group presentations. Students can expect recommendations regarding clarity, organization, style, and delivery.

### WRITING

Assists student writers at all levels of experience, across all majors. Meet with peer consultants who can offer feedback on written work and suggest pre-writing, drafting, and revision strategies.

### CAREER SERVICES

Can assist you in exploring your interests and abilities, choosing a major, connecting with internships and

learning experiences, investigating graduate and professional school options, and landing your first job. We encourage you to schedule an appointment with a career advisor during your first year. Visit [careerservices.richmond.edu/](http://careerservices.richmond.edu/).

## COUNSELING AND PSYCHOLOGICAL SERVICES

Assists students in meeting academic, personal, or emotional challenges. Services include assessment, short-term counseling and psychotherapy, crisis intervention, psychiatric consultation, and related services. Visit [caps.richmond.edu](http://caps.richmond.edu) or call 289-8119.

## BOATWRIGHT LIBRARY RESEARCH

### LIBRARIANS

Assist students with identifying and locating the best resources for class assignments, research papers and other course projects. Librarians also assist students with questions about citing sources correctly. Students can schedule a personal research appointment, meet with librarians in the first floor Research and Collaborative Study area, email, text, or use instant messaging. The library research guides are at [libguides.richmond.edu](http://libguides.richmond.edu).

## DISABILITY SUPPORT SERVICES

The University of Richmond's office of Disability Services strives to ensure that students with disabilities and/or temporary conditions (i.e., concussions & injuries) are provided opportunity for full participation and equal access. Students who are experiencing a barrier to access due to a disability and/or temporary condition are encouraged to apply for accommodations by visiting [disability.richmond.edu](http://disability.richmond.edu), calling 804-662-5001, or emailing [disability@richmond.edu](mailto:disability@richmond.edu).

Once accommodations have been approved, students must 1) Submit their Disability Accommodation Notice (DAN) to each of their professors via the Disability Services Student Portal available at this link: [sl.richmond.edu/be](http://sl.richmond.edu/be). and 2) Request a meeting with each professor to create an accommodation implementation plan. It is important to complete these steps as soon as possible because accommodations are never retroactive, and professors are permitted a reasonable amount of time for implementation. Disability Services is available to assist, as needed.

## **ROBINS SCHOOL OF BUSINESS LEARNING GOALS & OBJECTIVES**

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**Learning Goal 1:** Our graduates will be able to analyze and think critically to solve complex business problems. **O1.1** Students will produce solutions to business problems using appropriate analysis. **O1.2** Students will identify core issues, key stakeholders and their perspectives, and evaluate and apply evidence in support of a coherent position or recommendation.

**Learning Goal 2:** Our graduates will be effective communicators. **O2.1** Students will make a professional and effective oral presentation. **O2.2** Students will write a cogent analysis of a business or economic situation.

**Learning Goal 3:** Our graduates will possess the interpersonal skills needed to work effectively in a global and diverse business environment. **O3.1** Students will demonstrate an ability to work in teams and collaborate with others. **O3.2** Students will demonstrate an ability to make decisions considering the ethical implications and the impact on multiple stakeholders.

**Learning Goal 4:** Our graduates will demonstrate knowledge across the primary functional areas of business. **O4.1** Students will demonstrate an understanding of the functional areas of business in accounting, economics, finance, management, marketing, and analytics & operations.