



LINCOLN UNIVERSITY

Course Title	Investments (The Stock Market)	Instructor:	Professor Dan Sevall
Course No:	BA 465	Phone:	650-380-0518
Class hours:	Tuesdays 9:00 to 11:45 am	E-mail:	dsevall@lincolnuca.edu
Units:	4 units (45 lecture hours + 1 unit individual research project)	Office Hours:	By appointment
Semester:	Spring 2024	Office:	Via Zoom
Course Level:	Mastery 2/ Research (M2R)		

RECOMMENDED MATERIALS:

Textbook: *The Intelligent Investor: The Definitive Book on Value Investing*, Benjamin Graham (ISBN: 978-0060555665),

The (Mis)Behavior of Markets by Benoit Mandelbrot & Richard L. Hudson (ISBN: 0-465-04357-7),

The Black Swan by Nicholas Taleb, (ISBN: 978-1-4000-6351-2),

Suggested Tools: Microsoft Excel Spreadsheets and HowtheMarketworks.com website.

CATALOG DESCRIPTION:

In-depth survey of stock market including nature of stocks, stock exchanges, indices, trading securities and options, convertible securities, mutual funds, investment banks, hedge funds, investment clubs, and dividend policy. Students learn trading mechanisms, tactics, and strategy as well as foundations of fundamental, technical, and sentimental analysis. (4 units) *Prerequisite: BA 303*

COURSE DESCRIPTION:

In-depth survey of the stock market. Topics include: NYSE, NASDAQ and regional exchanges; OTC market; stock price average and indexes; trading securities; trading options; dividend policy; equity analysis; convertible securities, mutual funds.

LEARNING OBJECTIVES:

The students will review the basic underpinnings of the world's financial markets, with an emphasis on stock market activity. Students will learn both the rationale for the existence of stock markets, the theories guiding market valuations, as well as an opportunity to engage in practical stock market trading through an on-line simulation to take place throughout the course.

INSTRUCTIONAL METHODS:

Interactive lecture via Zoom. A stock market game may be suggested as well as techniques for real-life options trading.

Assignments and projects require students to actively use resources of the library. Detailed guide to business *resources of the library* as well as the description of Lincoln University approach to *information literacy* are available at the [LU Library](http://lincolnuca.libguides.com) website (lincolnuca.libguides.com).

ASSIGNMENTS:

Assignments will be take-home as the class is delivered via Zoom.

EVALUATION:

Classroom engagement	every week	20%
Mid-semester Portfolio Review	As scheduled	25%
Final Portfolio Review and Key Learnings	As scheduled	20%
Final Simulation Presentation (Mandatory for BA465 Students)	As scheduled	25%
Short Paper on Strategies Learned (for BA 465 students only)		10%

Students will be allowed to use computers during tests.

Throughout the course, students will take part in a simulation using the HowtheMarketswork.com website. Students will be given a notional \$100,000 to invest as they please in the stock market. Students will be asked to report their positions, gains and losses, on a weekly basis. This stock market game will be the crux of our practical application of theory throughout the course.

GRADING:

Grades will be determined according to the following percentages awarded for completed work:

- 90% -100 % : A (A+ to A-) range
- 80% - 89%: B (B+ to B-) range
- 70% - 79%: C (C+ to C-) range
- 60% - 69%: D
- Below 60%: F

COURSE SCHEDULE:

Weekly schedule of topics is attached. Students should read every chapter of the textbook on the topic to be discussed in class before they come to class. Be ready to answer in writing all review questions and to solve problems at the end of the chapter.

MODIFICATION OF THE SYLLABUS:

This syllabus was updated on January 10, 2024. The instructor reserves the right to modify this syllabus at any time during the semester. An announcement of any changes will be made in the classroom.

Spring 2024 SCHEDULE OF TOPICS

Please read every chapter of the textbook before you come to class

Class Session	Topics	Sources
1	An Introduction to Investments; What is the First Rule in Investing? What are the two ways to make money in investing	Graham text
2	Securities Markets; Investment Companies: Mutual Funds (A Bad idea?)	Graham Text
3	Stock and the Valuation of Common Stock: Bull and Bear Markets	Graham Text
4	Financial Planning, Taxation and the Efficiency of Financial Markets; Risk and Portfolio Management	Online material
5	Understanding and Navigating changing Financial Narratives	Online Material
6	Introduction to Options (Calls and Puts)	
7	Review	All Previous Material
	MIDTERM EXAM	
8	Married Puts and Covered Calls	Online Material
9	Short Strangles and Straddles	Online Material
10	Bull Spread	Online Material
11	Iron Condor	Online Material
12	Bitcoin: How does it fit in a portfolio?	Online Material
13	Having a Balanced Portfolio	
14	Final Presentations and Portfolio Review	

Let's get ready for a great course!

COURSE LEARNING OUTCOMES¹

	Course LO	Program LO	Institutional LO	Assessment
1	Develop a deep understanding of stock market processes in order to formulate an effective risk management strategy.	PLO 1	ILO 1c, ILO 2c	Course project, quizzes, midterm/final exam
2	Be familiar with the modern trading approaches.	PLO 2	ILO 1c, ILO 2c, ILO 4c	Course project, quizzes, midterm/final exam
3	Be able to implement a trading strategy in accordance with financial and business objectives.	PLO 5	ILO 4c, ILO 5c	Course project, quizzes, midterm/final exam

¹ Detailed description of learning outcomes and information about the assessment procedure are available at the [Learning Outcomes Assessment](#) section of LU website.