



LINCOLN UNIVERSITY

Course Title	Investments (Stock Market)	Instructor:	Prof. Dan Sevall
Course No:	BA 465	Phone:	650-380-0518
Class hours:	Saturdays 12:30 to 3:15pm	E-mail:	dsevall@lincolnuca.edu
Units:	4 units (= 45 lecture hours + 45 hours of research project)	Office Hours:	Monday and Wednesdays at 11:30am-12:30pm
Semester:	Spring 2012	Office:	Room 407

REQUIRED MATERIALS:

Textbook: *Financial Markets and Institutions, 10th edition* by Jeff Madura (ISBN: 978-0-538-48213),
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)

Required Tools: Microsoft Excel Spreadsheets

COURSE DESCRIPTION:

In-depth survey of stock market including nature of stocks, stock exchanges, indexes, trading securities and options, convertible securities, mutual funds, investment banks, hedge funds, and investment clubs, and dividend policy. Students learn trading mechanisms, tactics, and strategy as well as foundations of fundamental, technical, and sentimental analysis. A one-unit written research project and its oral presentation is a required part of the course. (4 units)

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:

Lecture method, as well as weekly online simulation activity (<http://www.marketwatch.com/Game/>).

OTHER REQUIREMENTS:

Students will be expected to do reading in three texts, so that they can have a broad conceptual framework. Essays and exams will cover reading from all three texts.

ASSIGNMENTS:

Most assignments will be from the textbook. Each assignment is due on the Saturday of the next week after it is assigned.

TESTING:

Classroom engagement	every week	10%
Mid-semester Presentation	As scheduled	15%
Mid-semester exam	As scheduled	20%
Final exam	As scheduled	30%
Final Simulation Presentation	As scheduled	25%

Students will be allowed to use computers during tests.

GRADING:

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

- 85% -100 % : A (A+ to A-) range
- 75% - 84%: B (B+ to B-) range
- 65% - 74%: C (C+ to C-) range
- 55% - 64%: D
- Below 55%: 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 December 20th, 2011. 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 2012 SCHEDULE OF TOPICS

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

Class Session	Topics	Chapters
1	Role of Financial Markets and Determination of Interest Rates	Chapters 1,2 Madura text
2	Structure of Interest Rates, Functions of the Fed and Monetary Policy	Chapters 3,4 and 5 Madura text
3	Stock Offerings and Investor Monitoring, Stock Valuation and Risk	Chapters 10 and 11 Madura text
4	Market Microstructures and Strategies	Chapters 12 and 13 Madura text
5	Option Markets, Swap Markets and Foreign Exchange Derivative Markets	Chapters 14, 15 and 16
6	Mid-semester presentations	
7	Review. MIDTERM EXAM	All Previous Material
8	Black Swan	Chapters 1-6
9	Black Swan	Chapters 7-12
10	Black Swan	Chapters 13- 18
11	(MIS) Behavior of Markets	Chapters 1-5
12	(MIS) Behavior of Markets	Chapters 6-11
13	(MIS) Behavior of Markets	Chapters 12- 13
14	Final Presentations and Review	

COMPREHENSIVE FINAL EXAM

Let's get ready for a great course!