1. Course Information

Course Title: Securities Analysis and Portfolio Management
Course Number: FINA 5350
Course Section: NA
Credits: 3 hours
Semester: Spring 2018
Prerequisites: FINA 5319; Student must be an MSF student and should have be in the last 9 credit hours of the program.
Room: Malloy Hall 012
Time: Tue.: 7:00 p.m. – 9:45 p.m.
Use link on Blackboard to make an appointment via Setmore.

2. Instructor Information

NAME: Dr. Daniel Perez Liston
OFFICE LOCATION: Welder Hall, Room 208
OFFICE PHONE: 713-942-3499
OFFICE HOURS: Tue.: 2:00 p.m. – 3:30 p.m.; 5:00 p.m. – 5:30 p.m.
W.: 3:00 p.m. – 6:00 p.m.
Th.: 4:00 p.m. – 6:00 p.m.
E-MAIL: drperez@stthom.edu

3. Course Catalog Description

This course focuses on securities analysis and portfolio management from the perspective of the professional investor. Topics include a review of the structure of capital markets, valuation of equity and fixed income securities, market efficiency, modern portfolio theory, asset pricing models relating risk and return, and derivatives.

4. MSF Learning Goals
The Master of Science in Finance has six goals.

1. **Core of Finance Knowledge**
   MSF graduates will be knowledgeable in the critical areas in the field of Finance. Graduates will:
   
   - demonstrate competency in the key fields of Corporate Finance, Investments, Banking and Financial Institutions, Risk Management, and International Finance when they apply the knowledge in the required courses to solve Finance problems.

2. **Analytical and Critical Thinking Skills**
   MSF graduates will be analytical and critical thinkers. Graduates will:
   
   - demonstrate skills in analyzing financial reports
   - identify and evaluate complex financial problems by integrating the skills learned in the core Finance area.

3. **Value System**
   MSF graduates will anchor financial aspects of business activities in ethics and human values. Graduates will be able to:
   
   - identify and apply principles of ethical leadership and accountability as applicable to the financial aspects of business decisions
   - assess workplace behaviors and financial aspects of business decisions in terms of human values, ethical norms, and societal impact.

4. **Global Awareness**
   MSF graduates will be aware of global influences on financial decision-making. Graduates will be able to:
   
   - demonstrate a knowledge of global financial and foreign exchange markets.
   - identify the impact of global financial changes on multinational enterprises.

5. **Teamwork & Leadership**
   MSF graduates will be able to work effectively on team projects with individuals from diverse groups. Graduates will be able to:
   
   - demonstrate appropriate group techniques to participate in a team task
   - compile diverse contributions to produce a comprehensive outcome

6. **Communication Skills**
   MSF graduates will be effective communicators. Graduates will be able to:
   
   - prepare written reports on financial issues.
   - deliver effective presentations on financial issues.

5. **Course Learning Goals** *(and relationship to program goals and objectives)*
Upon successful completion of this course, you will be able to:

- Understand the modern theories of security valuation, and use this knowledge to make optimal financial decisions for business firms (MSF Goal #2).
- Recognize the strategic importance of modern risk management techniques in an increasingly risky global environment, and formulate appropriate hedging policies for business firms (MSF Goal #3).
- Communicate effectively by preparing financial projects and reports that can be used to aid financial decision makers (MSF Goal #5).

6. Texts, Readings, and Materials

**Required: Textbook, Simulator Package, Financial Calculator, Bloomberg Terminal**


Students are required to purchase StockTrak portfolio simulator software. The cost is roughly $35. Here is the link to the software: [http://www.stocktrak.com](http://www.stocktrak.com)

You may access the StockTrack tournament with this link: [http://stocktrak.com:80/members/registerstudent?className=FINA5350spring2018](http://stocktrak.com:80/members/registerstudent?className=FINA5350spring2018)

A financial calculator with cash flow functions (NPV, IRR) is required. If you do not have a financial calculator, I recommend the **Texas Instruments TI 83**. I will be using the calculator for classroom demonstrations. If you use a different calculator make sure you have the manual, so that you may learn how to use it on your own or you can “google” instructions on how to use it.

Bloomberg Terminal will also be used; it’s on the bottom floor of the library.

**Supplementary readings**

The Wall Street Journal or/and Business Week or/and Fortune Magazine

I would like to encourage you to read business press outside the class. It will help you to relate topics covered in class to the real business world and enhance your class performance. Handouts will be provided in class and assigned reading will be posted on Blackboard.

7. Instructional methods

Class time will be devoted to lecture, discussion, and analysis of assigned cases and problems. Finance is a subject highly problem-oriented. Therefore, problems will constitute the largest number of points for each exam. Assigned problems will not be collected, but will be discussed in class. Active participation in class is encouraged and
8. Technology

I will use blackboard course management system to post online materials. I will be more than happy to discuss any questions you might have either in class or outside class.

9. Course Policies

1. Reading assignments and homework assignments:
   You are responsible for all of the material discussed in class, assigned in the readings, and problems assigned for homework. My purpose here is to see that you have some simple hands-on experience at financial management. In addition, you should also study the self-test problems after each chapter. The solutions to those problems are in the book.

2. Make up exams
   Make up exams will not be permitted unless I am notified of your absence before the exam date. Make up exams from excused absences will be scheduled at a time mutually agreeable to the instructor and the student.

3. You should prepare for ALL regularly scheduled classes prior to class meetings. Also, you are expected to arrive on time and stay in class until the class period ends. If you know in advance that you will need to leave early, please notify me before the class period begins.

4. Comments and questions are encouraged to share with the whole class. Private discussion or chatting with your peers are discouraged and will be viewed as destructive for the learning environment. Please respect the class by not doing so.

5. Participation performance is determined by your contribution to the learning process in class. It includes, but not limited to, comments, personal insights, constructive questions, work experience, and answers to assignments and cases. Attendance is expected and required. If you missed three or more classes, your work experience, and answers to assignments and cases. Attendance is expected and required. If you missed three or more classes, your course grade, at the instructor's discretion, will be reduced by one letter grade. If you missed more than six classes, at the instructor's discretion, the grade will automatically become an F.

6. The use of cell phone is discouraged during the class period unless you are “on call.”

7. If you have special concerns about this class and the class policy, I encourage you to talk to me after class or during my office hours. This should be done in the first week of class to allow us time to work out a plan to fully address your concerns.
After this time period, I assume that you agree to, and will abide by, the class policy.

8. Any student with a documented disability requiring accommodations for this course is encouraged to contact me after class or during office hours. Additionally, students will need to contact the office of Counseling Services for Students with Special Needs (Disability Services) at 713-525-3162 or 6953.

Accommodations
The University of St. Thomas abides by the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, which stipulates that no student shall be denied the benefits of an education "solely by reason of a handicap." If you have a documented disability that may impact your performance in this class and for which you may require accommodations, you must be registered with and provide documentation of your disability to Counseling and Disability Services which is located on the second floor of Crocker Center. Contact Debby Jones or Rose Signorello at 713-525-6953 or 713-525-3162.

11. Student Grading Processes
Grades for this class will be determined by one midterm exam, one final exam, case analysis, stock simulator assignment, and homework. The midterm counts for 30% of the total course grade and the final exam counts for 30%. Cases and Homework 15%. Stock simulator assignment 25%.

Final grade:  
93-100    A
90-92    A-
87-89    B+
84-86    B
80-83    B-
70-79    C
below 70    F

12. Course Tentative Schedule

Class Participation
The following criteria will be used to judge and grade your participation performance:
1. **Content Mastery:**
The student makes evident by classroom comments and/or responses to questions, an understanding of the facts, concepts, and theories presented in the assigned readings.

2. **Communication Skills:**
The student informs other students in a clear and constructive manner what he/she knows. Communication skills include listening to others and understanding what they have said,
responding appropriately, asking clear, constructive questions, building on the ideas of others, etc.

3. **Synthesis/Integration:**
The student shows the connections between this material and other material. For example, the student could take several ideas from the readings or class discussions and combine them to produce a new perspective on an issue, or the student could take outside materials (personal experience, work experience, other classes etc.) and combine them to create insights.

4. **Creativity:**
The student shows further implications of the material by finding new ways of articulating or setting the materials, which produce significant insights, etc..

5. **Valuing:**
The student identifies values inherent to the material and offer rationales based on some value system.
<table>
<thead>
<tr>
<th>Date</th>
<th>Tentative Course Schedule</th>
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<tbody>
<tr>
<td><strong>(Week of...)</strong></td>
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<tr>
<td>1/15</td>
<td><strong>Section: Investments Background</strong></td>
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<td></td>
<td>Introduction and Syllabus</td>
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<td>StockTrak Project Discussion</td>
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<tr>
<td>1/22</td>
<td>Ch. 2 The asset allocation decision</td>
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<td>Brief discussion of call/put options</td>
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<td>Ch. 25 Evaluation of Portfolio Performance</td>
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<tr>
<td>1/29</td>
<td><strong>Section: Analysis and Management of Common Stocks</strong></td>
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<td>Ch. 12 Macroanalysis and microvaluation of the stock market</td>
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<tr>
<td>2/5</td>
<td>Ch. 13 Industry analysis</td>
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<tr>
<td>2/12</td>
<td>Ch. 14 Company analysis and stock valuation</td>
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<td>2/19</td>
<td>Ch. 15 Technical analysis</td>
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<tr>
<td>2/26</td>
<td>Ch. 16 Equity portfolio management strategies</td>
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<tr>
<td>3/5</td>
<td><strong>Midterm Exam</strong></td>
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<tr>
<td>March 12-16</td>
<td><em>Spring Break no classes</em></td>
</tr>
<tr>
<td>3/19</td>
<td><strong>Section: Derivative Security Analysis</strong></td>
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<td>Ch. 20 An introduction to derivative markets and securities</td>
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<td>3/26</td>
<td>Ch. 22 Option contracts</td>
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<td></td>
<td>Ch. 21 Forward and Futures Contracts</td>
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<td>4/2</td>
<td><strong>Finance Case Due</strong></td>
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<td>April 13-14</td>
<td><strong>Section: Analysis and Management of Bonds</strong></td>
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<td><strong>Easter Break</strong></td>
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<td>4/16</td>
<td>Ch. 19 Bond portfolio management strategies</td>
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<td>4/23</td>
<td><strong>Presentations</strong></td>
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<td>4/30</td>
<td><strong>Presentations</strong></td>
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<td><strong>Final Exam (TBD)</strong></td>
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The *CSB Comprehensive Test for the MSF program* is a comprehensive test on all subjects covered in the MSF program and will be administered in the capstone course of the MSF program. Questions on topics from the core/required courses – including this course - will appear on the *CSB Comprehensive Test*. 
Mission Statement: Cameron School of Business

The Cameron School of Business will serve students of diverse backgrounds, providing them the necessary professional skills for a changing global economy, and instilling in them a deep appreciation for ethical behavior as the hallmark of a successful and fulfilling business career. The Cameron School will provide its students a timely and comprehensive business curriculum, with opportunities for specialized study in major business fields. The faculty will provide quality teaching, as this is the core of our mission. As an extension of our teaching mission, the faculty will engage in scholarly activity and service to the University, the profession, and the community.

Academic Honesty

Ethical conduct is essential to a community of scholars and students searching for truth. Anything less than total commitment to honesty and honorable conduct undermines the efforts of the entire community. Academic integrity lies at the very heart of any institution of higher learning. In the Cameron School of Business, students and faculty are expected to commit to a code that exemplifies each individual's honor and integrity. Any conduct that violates this standard and betrays the respect of others is a matter of grave concern and, accordingly, is deemed unacceptable.