

RUTGERS UNIVERSITY  
School of Business - Camden

**INVESTMENTS AND PORTFOLIO MANAGEMENT – Spring 2018**

52:390:315:40  
Th. 6:00 P.M. - 8:50 P.M.  
BSB 106

Professor: Mr. Ralph Giraud, MS  
Phone: (609) 381-5618  
E-mail: [ralph.giraud@rutgers.edu](mailto:ralph.giraud@rutgers.edu)

Office: BSB 411  
Office Hours: by appointment via scheduling through EMAIL

**COURSE DESCRIPTION:**

Organization and functioning of securities markets; efficient capital markets; modern portfolio management; asset pricing models; security valuation principles and practices; analysis and management of bonds and common stocks; derivative securities; and evaluation of portfolio performance.

Prerequisites 52:390:301, 50:640:130, and 50:960:284.

**COURSE OBJECTIVES:**

This course will give you a deeper understanding of the concepts you learned in the Principles of Finance prerequisite course concerning investment securities and securities markets. Some discussions will describe the individual qualities of the various securities markets, plus securities analysis, while addressing the process of how to “assemble” different types of financial assets into an investment portfolio. Lectures may also cover current investment theories and strategies. Topics such as Behavioral Finance, Technical Analysis, and Risk Management will be introduced. Subsequently, you will learn ways to evaluate investment portfolio performance, as you complete your introduction to Investments and Portfolio Management by bringing all of these different elements together into an “investment process.”

Throughout the course, it is important to always be mindful of the concepts of risk and return!

At the very least, this course should be of personal benefit to you from an individual investment perspective, even if you don't pursue a role concerning investing funds belonging to other individuals or organizations.

**REQUIRED TEXTS:**

Bodie, Kane, Marcus, **Essentials of Investments, 10th edition**, MGHE, 2017 with McGraw-Hill Connect

ISBN13: 9781259692192

**Connect**: McGraw-Hill's **Connect** is a web-based assignment and assessment solution **required** for this course.

<https://connect.mheducation.com/class/r-giraud-thursdays-600-pm-to-850-pm---5239031540>

## TEACHING METHODS:

Lectures, class discussions, and exams/assigned work will be based mainly on material from course textbooks, supplemented by use of appropriate websites and other resources. It is your responsibility as a student to fulfill all individual AND group course requirements through thorough preparation for each class. This responsibility includes reviewing topics IN ADVANCE of scheduled classes. Additional responsibilities include perfect, timely attendance (in accordance with university policies), active participation, and completion and timely submission of assignments. Ask the professor for help immediately when necessary. Industry experts may make “Guest Presentations.”

## SYLLABUS UPDATES AND OTHER COURSE COMMUNICATION:

All changes and announcements will be made in class at least once, and/or through the SAKAI site for this course. If you anticipate being absent from class, find a classmate who can pick up handouts etc. for you, as you are responsible for keeping up with this course. Handouts will be brought to class only once, and may not be available in hard copy thereafter. I reserve the right as the Course Instructor to make changes to stated syllabus information at any time. If you do not use your **rutgers.edu** email domain for your primary email address, please insure that you forward messages to whatever email address you use. It is YOUR responsibility to “remain current” with course developments. Please check the SAKAI course web site on a daily basis.

## COURSE REQUIREMENTS (Grade Weight):

1. **EXAMS:** There will be four (4) Exams, Exam # 1 covering Chapters 1 - 4 (15%), Exam # 2 covering Chapters 5 – 6 (20%), Exam # 3 covering Chapters 7 – 10 (20%) and Exam # 4 covering Chapters 12 – 13,18 & 22 (25%). Material for these exams will be based on valuation applications and processes reviewed and employed during course lectures, homework assignments, and/or research reports – group presentations.

**Exam Make-up Policy:** The Course Outline does NOT allow any regularly scheduled class dates for “Make – up Exams.” If for some legitimate “university approved” reason you are not able to take a scheduled exam, you must immediately submit valid proof concerning the reason for your absence (e.g.: doctor’s note, an obituary, university approved excuse related to participation in university athletic event, military orders). Written notice regarding this absence must be provided at least one week in advance, so other options can be evaluated. Make-up exams for non-university approved reasons are NOT guaranteed.

2. **TAKE-HOME ASSIGNMENTS (10%):** Take-home assignments will be given over the course of the semester. Late submissions will not be accepted.
3. **CLASS PARTICIPATION (10%):** Punctual attendance for complete, regularly scheduled class sessions is MANDATORY, in accordance with university policy (50%). True class participation involves attentiveness, active “engagement” with course material, and contributing to class discussions (50%). Your questions and comments concerning course topics should be focused and relevant. Do not hesitate to ask any and all questions as may be necessary.
4. **OPTIONAL BONUS OPPORTUNITY (“Extra Credit,” worth 10%):** Those students who successfully pass (at 70%) all four Bloomberg Market Concepts Exams, emailing their Acknowledgement of Completion Certificate to me at [ralph.giraud@rutgers.edu](mailto:ralph.giraud@rutgers.edu), and to [Bloomberg.Certificates@camden.rutgers.edu](mailto:Bloomberg.Certificates@camden.rutgers.edu), will be awarded ten (10) points (i.e.: 10%) which will be added to the calculation of their final grade.

## ACADEMIC INTEGRITY

Policy found at <http://academicintegrity.rutgers.edu/academic-integrity-at-rutgers>

“Academic integrity requires that all academic work be wholly the product of an identified individual or individuals. Joint efforts are only legitimate when the assistance of others is explicitly acknowledged...The principles of academic integrity entail simple standards of honesty and truth. Each member of the university has a responsibility to uphold the standards of the community and to take action when others violate them...Students are responsible for knowing what the standards are and for adhering to them. Students should also bring any violations of which they are aware to the attention of their instructors.”<sup>1</sup>

Students are expected to know, understand and adhere to the policies on academic integrity outlined above.

Principles of academic integrity require that every Rutgers University student:

- properly acknowledge and cite all use of the ideas, results, or words of others
- properly acknowledge all contributors to a given piece of work
- make sure that all work submitted as his or her own in a course or other academic activity is produced without the aid of unsanctioned materials or unsanctioned collaboration
- obtain all data or results by ethical means and report them accurately without suppressing any results inconsistent with his or her interpretation or conclusions
- treat all other students in an ethical manner, respecting their integrity and right to pursue their educational goals without interference. This requires that a student neither facilitate academic dishonesty by others nor obstruct their academic progress
- uphold the canons of the ethical or professional code of the profession for which he or she is preparing.

Adherence to these principles is necessary in order to insure that:

- everyone is given proper credit for his or her ideas, words, results, and other scholarly accomplishments
- all student work is fairly evaluated and no student has an inappropriate advantage over others
- the academic and ethical development of all students is fostered
- the reputation of the University for integrity in its teaching, research, and scholarship is maintained and enhanced.

Failure to uphold these principles of academic integrity threatens both the reputation of the University and the value of the degrees awarded to its students. Every member of the University community therefore bears a responsibility for ensuring that the highest standards of academic integrity are upheld. Violations are taken seriously and will be handled according to University policy.

### Student Code of Conduct

Violations of the Student Code of Conduct are considered serious infractions of student behavior and subject to penalties relative to the level of the matter. Students may not disturb normal classroom procedures by distracting or disruptive behavior. Examples of disruptive behavior include, but are not limited to, the following:

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<sup>1</sup> Rutgers University Code of Academic Conduct, taken from the Student Advising Handbook - <http://camden-sbc.rutgers.edu/CurrentStudents/students/advising.pdf>.

- Repeatedly leaving and entering the classroom without authorization
  - Answering cellular phone or allowing pager to beep
  - Making loud or distracting noises
  - Repeatedly speaking without being recognized, interrupting the instructor or other students, or otherwise acting in disregard of the instructor’s requests
- Resorting to physical threats or violence directed toward the instructor or other students.\*
- \*Physical threats or violence are a violation of the University’s Code of Student Conduct and incidents should be referred to the Dean of Students immediately.

Violations of the code should be reported to the Dean of Students office [deanofstudents@camden.rutgers.edu](mailto:deanofstudents@camden.rutgers.edu), or 856-225-6050.

If the violation is immediate and a potential threat is a concern, call the Rutgers-Camden police at 856-225-6111.

Please consult “Standards of Classroom Behavior,” in The University Code of Student Conduct <http://studentconduct.rutgers.edu/files/documents/UCSCJuly2011.pdf> and the University’s “Policy against Verbal Assault, Defamation and Harassment” <http://studentconduct.rutgers.edu/files/documents/PolicyAgainstVerbalAssault.pdf> for further information

**ADMINISTRATIVE DETAILS:**

- **Cell Phones and Lap-Tops:** Students are required to *turn off* their phones and lap-tops while they are in class. Please inform me BEFORE CLASS if you are expecting an emergency call and must leave your phone turned on.
- Students should come to class on time. They should **stay** in class throughout the class period.

**GRADING:**

For the assignment of final grades, the course requirements will be weighted approximately as follows:

Exam # 1	.....	15%
Exam # 2	.....	20%
Exam # 3	.....	20%
Exam # 4	.....	25%
Assignments	.....	10%
Class Participation	.....	10%
Optional Extra Credit (Bloomberg Market Concepts, “BMC”)		10%

- 90-100%...A
- 85-89%...B+
- 80-84%...B
- 75-79%...C+
- 70-74%...C
- 60-69%...D
- 0-59%.....F

## **Disability Services**

Rutgers University welcomes students with disabilities into all of the University's educational programs. In order to receive consideration for reasonable accommodations, a student with a disability must contact the appropriate disability services office at the campus where you are officially enrolled, participate in an intake interview, and provide documentation:

<https://ods.rutgers.edu/students/documentation-guidelines>.

If the documentation supports your request for reasonable accommodations, your campus's disability services office will provide you with a Letter of Accommodations. Please share this letter with your instructors and discuss the accommodations with them as early in your courses as possible. To begin this process, please complete the Registration form on the Office of Disability Services web site at:

<https://ods.rutgers.edu/students/registration-form>.

Ajeenah Nuriddin-Little

(856) 225-2722

Rutgers-Camden Disability Services:

Rutgers-Camden Learning Center

Armitage Hall, Room 240

311 North Fifth Street, Camden, NJ 08102-1405

Web page: <https://learn.camden.rutgers.edu/disability-services>

E-mail: [Ajeenah.nuriddin-little@camden.rutgers.edu](mailto:Ajeenah.nuriddin-little@camden.rutgers.edu)

## **Important Administrative Dates**

**Tuesday, January 16, 2018** – First day of Spring 2018 semester

**Tuesday, January 23, 2018**– Last day to drop a class without a “W” (this can be done through WebReg)

**Monday, April 2, 2017** – Last day to withdraw from one or all classes with a “W” (Deadline 5:00 P.M.). (This can be done through WebReg). For more information, see the registrar's website

<http://registrar.camden.rutgers.edu/>

**Saturday, March 10 – Sunday, March 18, 2018** – Spring Recess

**Monday, April 30, 2018** – Last day of Regular Classes

**Thursday, May 3 – Wednesday, May 9, 2018** - Final Exam Period

## **COURSE OUTLINE: TOPICS / EXAMS (subject to change)**

Class 1: 1/16/2018

Course Introduction

CHAPTER 1 -Investments: Background and Issues

Class 2: 1/25/2018

CHAPTER 2 – Asset Classes and Financial Instruments

Class 3: 2/01/2018

CHAPTER 3 – Securities Markets

CHAPTER 4 – Mutual Funds and Other Investment Companies

Class 4: 2/08/2018

CHAPTER 4 – Mutual Funds and Other Investment Companies

EXAM # 1 REVIEW: CHAPTERS 1 – 4

Class 5: 2/15/2018

EXAM # 1: CHAPTERS 1 – 4

CHAPTER 5 – Risk and Return: Past and Prologue

Class 6: 2/22/2018

CHAPTER 5 – Risk and Return: Past and Prologue

CHAPTER 6 – Efficient Diversification

Class 7: 3/01/2018

CHAPTER 6 – Efficient Diversification

EXAM # 2 REVIEW: Chapters 5 – 6

Class 8: 3/08/2018

EXAM # 2: Chapters 5 – 6

CHAPTER 7 – Capital Asset Pricing and Arbitrage Pricing Theory

Class 9: 3/22/2018

CHAPTER 7 – Capital Asset Pricing and Arbitrage Pricing Theory

CHAPTER 8 – The Efficient Market Hypothesis

Class 10: 3/29/2018

CHAPTER 9 – Behavioral Finance and Technical Analysis

CHAPTER 10 – Bond Prices and Yields

Class 11: 4/05/2018  
CHAPTER 10 – Bond Prices and Yields

EXAM # 3 REVIEW: Chapters 7 – 10

Class 12: 4/12/2018  
EXAM # 3: Chapters 7 – 10

CHAPTER 12 – Macroeconomic and Industry Analysis

Class 13: 4/19/2018  
CHAPTER 13 - Equity Valuation

CHAPTER 18 – Portfolio Performance Evaluation

Class 14: 4/26/2018  
CHAPTER 22: Investors and the Investment Process

EXAM # 4 REVIEW: CHAPTERS 12 – 13, 18, 22

Class 15: 5/03/2018 (6:00 P.M. – 9:00 P.M.)  
EXAM # 4: CHAPTERS 12 – 13, 18, 22