

SYLLABUS

COURSE #: BADM 139

COURSE TITLE: Practical Investing

of CREDITS: 3

CATALOG DESCRIPTION:

Provides a practical education in the research and analysis of common investments such as stocks, bonds, mutual funds, and some derivatives including put and call options on equities. The course will also include topics such as risk and reward, proper portfolio management and diversification, time value of money, operation of the investment markets, and the economics surrounding various investment options. Students will be involved with simulated stock, mutual fund, and option competitions to help them understand the dynamics of the financial markets. The student needs no prior investment knowledge, however a fundamental knowledge of business will be helpful.

Prerequisites: None

Semester offered: Spring, Fall

Common Student Learning Outcomes of San Juan College:

Learn: Students will actively and independently acquire, apply, and adapt skills and knowledge to develop expertise and a broader understanding of the world as lifelong learners.

Think: Students will think analytically and creatively to explore ideas, make connections, draw conclusions, and solve problems.

Communicate: Students will exchange ideas and information with clarity and originality in multiple contexts.

Integrate: Students will demonstrate proficiency in the use of technologies in the broadest sense related to their field of study.

Act: Students will act purposefully, reflectively, and respectfully in diverse and complex environments.

General Learning Objectives:

- I. Learn to research, present, and defend a stock
- II. Learn to build a properly diversified portfolio of stocks
- III. Understand how to managing a stock portfolio
- IV. Learn to build a properly diversified portfolio of Stock Mutual Funds
- V. Learn to value a bond, understand ratings, and research a bond
- VI. Learn to build a properly diversified portfolio of bonds
- VII. Understand how to build a properly diversified portfolio of Bond Mutual Funds
- VIII. Understand proper diversification of Stocks and Bonds in a complete portfolio

- IX. Understand basic Economics relative to Finance:
 - i. How the Fed changes interest rates and the effect on investments
 - ii. How some important economic Indicators affect investments
- X. Understand basic Finance terminology and concepts:
 - i. Understand and learn to calculate the time value of money
 - ii. Understand the importance of compounding
 - iii. Understand how to read Financial Statements as they relate to investments
- XI. Understand Tax Shelters relative to investing such as Roth IRA's, Traditional IRA's, Variable Annuities, etc.
- XII. Understand how Exchange Rates affect foreign investments as well as the foreign environment for investing
- XIII. Learn basic Options
- XIV. Learn what Indexes are and how they are used

Expected Learning Outcomes (related Learning Objectives and related Common Student Learning Outcomes are shown in parenthesis at the end of each outcome)
 Upon successful completion of the course, the student will be able to:

1. Demonstrate the ability to research, present, and defend a stock (I) (L, T, C, I)
2. Demonstrate the ability to build a properly diversified portfolio of stocks (II) (L, T, C, I)
3. Show capability in managing a stock portfolio (III) (L, T, C, I)
4. Demonstrate the ability to build a properly diversified portfolio of **stock** Mutual Funds (IV) (L, T, C, I)
5. Demonstrate the ability to value a bond, understand ratings, and research a bond (V) (L, T, I)
6. Demonstrate the ability to build a properly diversified portfolio of bonds (VI) (L, T, I)
7. Demonstrate the ability to build a properly diversified portfolio of **Bond** Mutual Funds (VII) (L, T, I)
8. Be able to demonstrate proper diversification of Stocks and Bonds in a complete portfolio (VIII) (L, T, I)
9. Demonstrate the ability to understand basic Economics relative to Finance (IX) (L, T, I)
 - a. Be able to explain how the Fed changes interest rates and the effect on investments
 - b. Explain how some important economic Indicators affect investments
10. Demonstrate the ability to illustrate and explain basic Finance terminology and concepts including (X) (L, T, I):
 - c. The time value of money
 - d. Compounding
 - e. Financial Statements as they relate to investments
11. Explain Tax Shelters relative to investing such as Roth IRA's, Traditional IRA's, Variable Annuities, etc. (XI) (L, T, I)

12. Explain how Exchange Rates affect foreign investments as well as the foreign environment for investing (XII) (L, T, I)
13. Explain basic Options (XIII) (L, T, I)
14. Explain what Indexes are and how they are used (XIV) (L, T, I)

General Assessment Methods may include: Homework and Projects requiring spreadsheet, word-processing, and internet use.

This syllabus developed by: Bart Womack

date: January 17, 2003

This syllabus reviewed by: _____

date: _____