

**FIN 4364-
Security Analysis and Portfolio Management
Spring 2022**

Course Description/Overview

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This course discusses investment objectives; risk and return; analysis and selection of investment securities, timing; portfolio theory, and applications; and evaluation of portfolio performance.

Prerequisite Knowledge

Prerequisite: FIN 3361

Course Technology

Use of Blackboard is required. All lecture notes, handouts, and assignments will be posted on Blackboard. The instructor will also make important announcements on Blackboard. It is essential that students familiarize themselves with the use of Blackboard. Blackboard support may be contacted by calling (325) 486-6263 or by email at elarning@angelo.edu.

Class Meeting Times

MW 11:00 a.m. – 12:15 p.m. in RAS 103.

Technical Support

The Technology Service Center (TSC) may be contacted by calling (325) 942-2911 or 1-866-942-2911 or by email at helpdesk@angelo.edu.

Faculty/Instructor Information

Name: Biqing Huang, Ph.D.**Title:** Professor of Finance**Office:** RAS 249**Phone:** (325) 486-6447**E-Mail:** biqing.huang@angelo.edu**Office Hours:** Virtual on ZOOM or WebEx (Please feel free to email me to schedule an appointment and I will send you the link)

You are welcome to send emails to or call the instructor (or leave a voice mail) if you have any questions.

Course Objectives

The **essential objectives** of this course are for the student to gain an understanding of the processes, styles and philosophies followed and tools used in the valuation of publicly traded securities. Topics might include investment objectives, risk and return; analysis and selection of investment securities, timing, portfolio theory and applications, and evaluation of portfolio performance. This course also provides insight into the ethical standards encountered in international investments.

Student Learning Outcomes

Upon completion of this course, students will be able to:

1. Define financial assets. Examine the mechanics of different securities markets. This is assessed through take-home assignments and exams.
2. Define efficient capital markets. Identify technical and fundamental analysis. This is assessed through take-home assignments and exams.
3. Explain different bond and stock markets and indexes. This is assessed through take-home assignments and exams.

4. Explain equity and bond portfolio management strategies and evaluate portfolio risk.
5. Examine different measures of portfolio performance. This is assessed through take-home assignments and exams.
6. Describe options and futures markets and evaluate futures trading and market strategies. This is assessed through take-home assignments and exams.
7. Examine risk-adjusted rate of return and define the purpose of diversification including international investing. This is assessed through take-home assignments and exams.
8. Construct a portfolio that can beat the market. This is assessed through group project(s), and group presentations.

Course Textbook and Required Readings

Required Text: *Investment Analysis and Portfolio Management*

Author: Frank K. Reilly; Keith C. Brown; Sanford J. Leeds
Edition: 11th
Publisher: Cengage Learning
ISBN-10: 1305262999
ISBN-13: 9781305262997
Publication Year: 2018

NO ACCESS CODE IS NEEDED.

Recommended Readings: The Wall street Journal, Financial Times, The Economist

Other readings are assigned each week and are provided to you in WORD, EXCEL, PPT, or PDF format, or will link you directly to the web site of interest.

Additionally, where possible, videos are utilized to enhance student learning.

Required Calculator: Hewlett-Packard 10B-II, or Hewlett-Packard 10B-II Plus

The Hewlett-Packard 10B-II (HP 10B-II), or Hewlett-Packard 10-BII (HP 10B-II Plus) calculator is strongly recommended. All examples shown on lecture notes will use this calculator. If you choose to use another, it is your responsibility to learn to use it.

Grading Policies

This course employs the following to measure student learning. Grades may consist of exams, assignments, attendances, quizzes, and project(s). **Specific due dates for each will be announced in a timely manner in class, and blackboard.** Students are responsible for being aware of the information.

Course grades will be based on a weighted composite of the following (Please be aware that the **instructor reserves the right to** change the weights of each grading component):

Exam I:	20%
Exam II:	20%
Final Exam:	20%
Others (Quizzes, assignments, attendances, project):	40%

Your grade will be assigned to the following achievements. The instructor reserves the right to change the cutoffs presented below.

Letter Grade	%
A	90% and above
B	80% - 89.99%
C	70% - 79.99%
D	60% - 69.99%
F	Below 60%

Exam information will be discussed in classes.

Exam Make-up Policy

Please keep in mind that being prepared and taking the tests during the allocated times is your responsibility. I will announce the date of the exams at least one week ahead. Missing a scheduled test without approval will result in a zero for that test.

If you cannot be present at an exam, you must discuss your situation with the instructor before the scheduled exam date to determine if a make-up will be permitted.

Make-up exam might be different and more difficult.

Graded Assignments (“Homework”)

There are up to six assignments. I will announce in class and on blackboard the due date of each of assignments. Late submissions will not be accepted for any reason. Please do not ask if you can submit these assignments late. I will return the graded assignments to you in a timely manner.

Class Attendance

Course attendance is important, strongly encouraged, and **expected**. Class lectures and discussions will supplement test materials and will be included as an aspect of the tests. You are responsible for everything that is discussed in class.

I will take attendance randomly during the term. There is always an “excuse” for missing class. Some are legitimate such as illness. You will earn ten points if your attendance is above 92%. You will earn four points if your attendance is between 83%-92%. You will not earn any points if your attendance is below 83%. I reserve the right to give out a grade of “F” if your attendance is below 50%.

Course Policies:

1. Communication with Your Professor and Fellow Students:

You may communicate with me by phone (number listed above), in my office during office hours (hours listed above), or by ASU email. I check my ASU email very often during the day, Monday through Friday, 8:00 a.m. to 5:00 p.m. I may or may not be able to check my email on the weekend, holidays, or in the evenings, so you should plan your work accordingly.

You should also check your ASU email account and Blackboard on a regular basis for communications and announcements about your class.

2. Courtesy and Respect

Courtesy and Respect are essential ingredients to this course. We respect each other's opinions and always respect their point of view while in our class sessions. The use of profanity & harassment of any form is strictly prohibited (Zero Tolerance), as are those remarks concerning one's ethnicity, lifestyle, race (ethnicity), religion, etc., violations of these rules will result in immediate dismissal from the course.

3. Email manners:

Please include subject, titles, or name of the person you are writing to, content, and your names. Usually, the instructor will respond within one business day. The instructor will not respond to emails that are not written in good manners.

4. Course Revision:

Any revisions to this syllabus will be announced in class and supersede this syllabus. Students are responsible for being aware of these changes.

ASU Course Policies

Academic Honesty and Integrity

Angelo State University expects its students to maintain complete honesty and integrity in their academic pursuits. Students are responsible for understanding and complying with the university Academic Honor Code, which is in both print and web versions of the ASU Student Handbook.

Academic integrity is expected. This includes, but is not limited to, any form of cheating, plagiarism, unauthorized sharing of work, or unauthorized possession of course materials. The professor assumes that all students can be trusted. Please do not violate this trust. Violation of academic integrity will result in a failing grade for the course.

It is the professor's intention to be as fair and impartial as is humanly possible. Therefore, all students will be asked to adhere to the same set of guidelines and rules UNLESS there are disabilities or documented extenuating circumstances that have been discussed with the professor and the Student Life Office. Please make sure you inform the professor as soon as any situation arises. Do NOT wait until the problem is compounded by poor class performance, poor attendance, etc.

Plagiarism

Plagiarism is a serious topic covered in ASU's Academic Integrity policy in the Student Handbook. Plagiarism is the action or practice of taking someone else's work, idea, etc., and passing it off as one's own. Plagiarism is literary theft.

In your discussions and/or your papers, it is unacceptable to copy word-for-word without quotation marks and the source of the quotation. It is expected that you will summarize or paraphrase ideas giving appropriate credit to the source both in the body of your paper and the reference list.

Papers are subject to be evaluated for originality via Turnitin. Resources to help you understand this policy better are available at the ASU Writing Center.

Copyright Policy

Students officially enrolled in this course should make only one printed copy of the given articles and/or chapters. You are expressly prohibited from distributing or reproducing any portion of course readings in printed or electronic form without written permission from the copyright holders or publishers.

Code of Ethics

Students, faculty, administrators and professional staff of the Norris-Vincent College of Business should always:

- Be forthright and truthful in dealings with all stakeholders
- Take responsibility for one's actions and decisions
- Serve as an example of ethical decision-making and behavior to others
- Admit errors when they occur, without trying to conceal them
- Respect the basic dignity of others by treating them as one would wish to be treated

Courtesy and Respect

Courtesy and respect are essential ingredients to this course. We respect each other's opinions and respect others points of view at all times while in our class sessions. The use of profanity and harassment of any form is strictly prohibited (Zero Tolerance), as are those remarks concerning one's ethnicity, life style, religion, etc., violations of these rules will result in appropriate disciplinary actions.

Accommodations for Disability

ASU is committed to the principle that no qualified individual with a disability shall, on the basis of disability, be excluded from participation in or be denied the benefits of the services, programs or activities of the university, or be subjected to discrimination by the university, as provided by the Americans with Disabilities Act of 1990 (ADA), the Americans with Disabilities Act Amendments of 2008 (ADAAA), and subsequent legislation.

Student Affairs is the designated campus department charged with the responsibility of reviewing and authorizing requests for reasonable accommodations based on a disability, and it is the student's responsibility to initiate such a request by emailing studentservices@angelo.edu, or by contacting:

Mrs. Dallas Swafford
Director of Student Development
Office of Student Affairs
University Center, Suite 112
325-942-2047 Office
325-942-2211 FAX
Dallas.Swafford@angelo.edu

Title IX

Angelo State University is committed to providing and strengthening an educational, working, and living environment where students, faculty, staff, and visitors are free from sex discrimination of any kind. In accordance with Title VII, Title IX, the Violence Against Women Act (VAWA), the Campus Sexual Violence Elimination Act (SaVE), and other federal and state laws, the University prohibits discrimination based on sex, which includes pregnancy, and other types of Sexual Misconduct. Sexual Misconduct is a broad term encompassing all forms of gender-based harassment or discrimination and unwelcome behavior of a sexual nature. The term includes sexual harassment, nonconsensual sexual contact, nonconsensual sexual intercourse, sexual assault, sexual exploitation, stalking, public indecency, interpersonal violence (domestic violence or dating violence), sexual violence, and any other misconduct based on sex.

You are encouraged to report any incidents involving sexual misconduct to the Office of Title IX Compliance and the Director of Title IX Compliance/Title IX Coordinator, Michelle Boone, J.D. You may submit reports in the following manner:

Online: www.angelo.edu/incident-form

Face to Face: Mayer Administration Building, Room 210

Phone: 325-942-2022

Email: michelle.boone@angelo.edu

Note, as a faculty member at Angelo State, I am a mandatory reporter and must report incidents involving sexual misconduct to the Title IX Coordinator. Should you wish to speak to someone in confidence about an issue, you may contact the University Counseling Center (325-942-2371), the 24-Hour Crisis Helpline (325-486-6345), or the University Health Clinic (325-942-2171).

For more information about resources related to sexual misconduct, Title IX, or Angelo State's policy please visit: www.angelo.edu/title-ix.

Student absence for religious holidays

As stated in the Angelo State University Operating Policy and Procedures (OP 10.19 Student Absence for Observance of Religious Holy Day), a student who intends to miss class to observe a religious holy day should make that intention known in writing to the instructor prior to the absence. A student who is absent from classes for the observance of a religious holy day shall be allowed to take an examination or complete an assignment scheduled for that day within a reasonable time after the absence.

Course Drop

To view information about how to drop this course or to calculate important dates relevant to dropping this course, you can visit

http://www.angelo.edu/services/registrar_office/course_drop_provisions.php.

Incomplete as a Course grade

As stated in the Angelo State University Operating Policy and Procedure (OP 10.11 Grading Procedures), the grade "I" is given when the student is unable to complete the course because of illness or personal misfortune. For undergraduates, an "I" that is not removed before the end of the next long semester automatically becomes an "F". A graduate student will be allowed one year to remove a grade of "I" before it automatically becomes an "F". To graduate from ASU, a student must complete all "I's".

Grade Appeal Process

As stated in the Angelo State University Operating Policy and Procedures (OP 10.03 Student Grade Grievances), a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, has experienced inequitable evaluation procedures, or inappropriate grading practices, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the grade appeal process and the number of days allowed for completing the steps in the process, see Operating Procedure 10.03 at:

<http://www.angelo.edu/content/files/14196-op-1003-grade-grievance>.

Tentative class schedules

We are going to discuss the followings chapters. Adjustments will be made if necessary, **based on actual progress. I will announce the dates of exams/assignments at least one week **in advance in class, and in blackboard**. The students are responsible for being aware of the information. **

Chapter 1 The Investment Setting

HW 1 upon completion of Chapter 1.

Chapter 2 The Asset Allocation and Security Decision

Chapter 3 Organization and Functioning of Securities Markets

Chapter 4 Security-Market Indexes and Index Funds

Chapter 5 Efficient Capital Markets, Behavioral Finance, and Technical Analysis

HW 2 upon completion of Chapter 5.

Exam I upon completion of Chapter 5.

Chapter 6 An Introduction to Portfolio Management

HW 3 upon completion of Chapter 6.

Chapter 7 Asset Pricing Models

Chapter 8 Equity Valuation

Chapter 9 The Top-Down Approach to Market, Industry, and Company Analysis

Chapter 11 Equity Portfolio Management Strategies

HW 4 upon completion of Chapter 11.

Exam II upon completion of Chapter 11.

Chapter 12 Bond Fundamentals and Valuation

Chapter 13 Bond Analysis and Portfolio Management Strategies

HW 5 upon completion of Chapter 13.

Chapter 14 An Introduction to Derivative Markets and Securities

Chapter 15 Forward, Futures, and Swap Contracts

Chapter 16 Option Contracts

HW 6 upon completion of Chapter 16.

Chapter 18 Evaluation of Portfolio Performance

Final exam will be on Wednesday, May 11th, 2022 from 10:30 a.m.-12:30p.m. The final may be cumulative.