

**Spring 2021**

<b>Meeting days:</b> Monday & Wednesday	<b>Instructor title and name:</b> Ed Murphy
<b>Meeting times:</b> 8:00-9:15 a.m.	<b>Phone:</b> 619-992-7242
<b>Meeting location:</b> TBD Outside	<b>E-mail:</b> kmurphy1@pointloma.edu
<b>Final Exam:</b> Dec 17; 6:00pm–8:45pm	<b>Office location and hours:</b> By appointment/online

**PLNU Mission**

**To Teach ~ To Shape ~ To Send**

Point Loma Nazarene University exists to provide higher education in a vital Christian community where minds are engaged and challenged, character is modeled and formed, and service is an expression of faith. Being of Wesleyan heritage, we strive to be a learning community where grace is foundational, truth is pursued, and holiness is a way of life.

**Fermanian School of Business Mission**

**Character – Professionalism – Excellence – Relationships – Commitment - Innovation**

As members of a vital Christian community, we strive to provide high quality business programs that equip students to make a positive impact in their workplace and community by connecting purpose to practice.

**COURSE DESCRIPTION**

A study of the principles and techniques of security and investment analysis. Topics include securities markets, risk and return, modern portfolio theory, investing in common stocks and fixed-income securities, portfolio management and derivative securities, including options and futures.

**COURSE LEARNING OUTCOMES**

Upon completion of this course, you should be able to:

1. Exhibit an in-depth understanding of securities markets and the different types of investments, including stocks, fixed income, and derivative securities (PLO 1 & C1).
2. Explain risk and return and portfolio management concepts (PLO 1 & C1).
3. Apply different valuation models to evaluate stocks and fixed income securities (PLO C2).
4. Collaborate in teams to analyze an investment topic (PLO 2, 5 & C1).
5. Present an investment topic through verbal means (PLO 3).

## COURSE CREDIT HOUR INFORMATION

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In the interest of providing sufficient time to accomplish the stated Course Learning Outcomes, this class meets the PLNU credit hour policy for a 3-unit class delivered over 15 weeks. Specific details about how the class meets the credit hour requirement can be provided upon request.

## REQUIRED TEXTS AND RECOMMENDED STUDY RESOURCES

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1. **Text:** Smart, Gitman, & Joehnk, *Fundamentals of Investing*, 13<sup>th</sup> edition, Pearson Education Inc., 2017, ISBN: 978-0-13-408330-8/ISBN 10: 0-13-408330-X.
2. **Resources:** Personal Computer with Microsoft Excel.

## ASSESSMENT AND GRADING

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<b>Assignment:</b>	<b>Points</b>	<b>Final Grade Scale:</b>
✓ Homework (10)*	200	A = 93 - 100% 930-1000 points
✓ Discussions (9)*	90	A- = 90 - <93% 900-929 points
✓ Class Presentations (1)	75	B+ = 87 - <90% 870-899 points
✓ Class Participation/Attendance	50	B = 83 - <87% 830-869 points
✓ Murphy Minutes Discussions (7)*	35	B- = 80 - <83% 800-829 points
✓ Personal Finance session	50	C+ = 77 - <80% 770-799 points
✓ Quizzes (5)*	100	C = 73 - <77% 730-769 points
✓ Mid Term Exams (2)	200	C- = 70 - <73% 700-729 points
✓ Final Exam (cumulative)	200	D+ = 67 - <70% 670-699 points
<b>Total Possible Points for the Course:</b>	<b>1000</b>	D = 60 - <67% 600-669 points
		F = 0 - <60% 0-599 points

\* - The lowest score of 11 homework assignments will be dropped. The lowest score of the 10 Discussion assignments will be dropped. The lowest score of the 8 Murphy Minute Discussions assignments will be dropped. The lowest 2 scores of the 7 Quizzes will be dropped. Additional information regarding graded events:

- a. **Discussion Questions:** The Opening Discussion Question assignment will provide each student an opportunity to share their individual experiences with and exposure to investing. Each of the remaining Discussion Question assignments will consist of each student answering one Discussion Question relating to a particular chapter or chapters of the textbook and respond to two answers from the same assignment based upon the Assigned Answers and Responses matrix provided in Canvas (for each Discussion Question assignment). Each answer should be based upon the corresponding chapter readings, video lectures and other knowledge each student may have. For each response, students are to provide additional insight to their classmate's original answer based upon what has been learned from the assigned reading, video lecture and homework for the corresponding chapter. All Discussion Question answers and responses are to be completed directly in Canvas.
- b. **Participation:** Participation grading will be based on your attendance and participation in class sessions and questions posed to other students' presentations (more details to follow).

- c. **Quizzes**: There will be quizzes during the semester consisting of multiple choice and true/false questions. Such quizzes will be given at the beginning of the class period and students must be present in class to take the quiz. No makeup quizzes will be issued if one is missed; however, your lowest 2 grades on the quizzes will be dropped from your final grade evaluation. In addition to regular quizzes, there will be a “course flyover” quiz based on a presentation of the entire course in the first week, which will be graded. A quarter of the grade will be based on simply taking the test; the balance will be based on correct answers (i.e., 75% correct answers will earn a perfect score).
- d. **Murphy Minute Discussions**: There will be a short video posted in Canvas some weeks in which I will discuss something related to recent events in the market. You will be required to make comments reflecting your view or understanding of the topic.
- e. **Homework Assignments**: There will be eleven (11) Homework Assignments, and the assignments will consist primarily of problems provided by the instructor. The specific Homework Assignments, as well as the due date/time for each, will be posted via Canvas. **Late Homework Assignments will not be accepted** as the instructor will review all assignments in class after each assignment is due. Submit only your own original work for Homework Assignments. While working together on Homework Assignments is encouraged, **you cannot share Homework Assignment (Microsoft Excel) files**. Homework Assignments must be **prepared using Microsoft Excel (or in a few cases, Microsoft Word)** and submitted through Canvas. Homework Assignments must include all work and supporting calculations in Excel for credit.
- f. **Student Presentation**: Students will give an in-class presentation. Each presentation will be given as a team by two students. The team will select a security (stock or bond) and will give a presentation regarding the pros and cons of such an investment, with one student supporting a positive outlook or the potential rewards and the other student supporting a negative outlook or the potential risks. Further details will be provided in class.
- g. **Personal Finance**: There will be an in-person or video presentation on Personal Finance. Your attendance and engagement in the session plus follow-up questions and observations will be graded.

## **SPIRITUAL CARE**

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Please be aware PLNU strives to be a place where you grow as whole persons. To this end, we provide resources for our students to encounter God and grow in their Christian faith. If students have questions, a desire to meet with the chaplain or have prayer requests you can contact the [Office of Spiritual Development](#) .

## **STATE AUTHORIZATION**

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State authorization is a formal determination by a state that Point Loma Nazarene University is approved to conduct activities regulated by that state. In certain states outside California, Point Loma Nazarene University is not authorized to enroll online (distance education) students. If a student moves to another state after admission to the program and/or enrollment in an online course, continuation within the program and/or course will depend on whether Point Loma Nazarene University is authorized to offer distance education courses in that state. It is the student's responsibility to notify the institution of any change in his or her physical location. Refer to the map using the below link to view which states allow online (distance education) outside of California. <https://www.pointloma.edu/offices/office-institutional-effectiveness-research/disclosures>

## **PLNU COPYRIGHT POLICY**

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Point Loma Nazarene University, as a non-profit educational institution, is entitled by law to use materials protected by the US Copyright Act for classroom education. Any use of those materials outside the class may violate the law.

## **PLNU ACADEMIC HONESTY POLICY**

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Students should demonstrate academic honesty by doing original work and by giving appropriate credit to the ideas of others. Academic dishonesty is the act of presenting information, ideas, and/or concepts as one's own when in reality they are the results of another person's creativity and effort. A faculty member who believes a situation involving academic dishonesty has been detected may assign a failing grade for that assignment or examination, or, depending on the seriousness of the offense, for the course. Faculty should follow and students may appeal using the procedure in the university Catalog. See Academic Policies in the PLNU Catalog for further policy information.

## **PLNU ACADEMIC ACCOMMODATIONS POLICY**

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While all students are expected to meet the minimum standards for completion of this course as established by the instructor, students with disabilities may require academic adjustments, modifications or auxiliary aids/services. At Point Loma Nazarene University (PLNU), these students are requested to register with the Disability Resource Center (DRC), located in the Bond Academic Center. (DRC@pointloma.edu or 619-849-2486). The DRC's policies and procedures for assisting such students in the development of an appropriate academic adjustment plan (AP) allows PLNU to comply with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. Section 504 (a) prohibits discrimination against students with special needs and guarantees all qualified students equal access to and benefits of PLNU programs and activities. After the student files the required documentation, the DRC, in conjunction with the student, will develop an AP to meet that student's specific learning needs. The DRC will thereafter email the student's AP to all faculty who teach courses in which the student is enrolled each semester. The AP must be implemented in all such courses.

If students do not wish to avail themselves of some or all of the elements of their AP in a particular course, it is the responsibility of those students to notify their professor in that course. PLNU highly recommends that DRC students speak with their professors during the first two weeks of each semester about the applicability of their AP in that particular course and/or if they do not desire to take advantage of some or all of the elements of their AP in that course.

## PLNU ATTENDANCE AND PARTICIPATION POLICY

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Regular and punctual attendance at all **synchronous** class sessions is considered essential to optimum academic achievement. If the student is absent for more than 10 percent of class sessions (virtual or face-to-face), the faculty member will issue a written warning of de-enrollment. If the absences exceed 20 percent, the student may be de-enrolled without notice until the university drop date or, after that date, receive the appropriate grade for their work and participation. In some courses, a portion of the credit hour content will be delivered **asynchronously** and attendance will be determined by submitting the assignments by the posted due dates. See Academic Policies in the Academic Catalog. If absences exceed these limits but are due to university excused health issues, an exception will be granted.

### **Asynchronous Attendance/Participation Definition**

A day of attendance in asynchronous content is determined as contributing a substantive note, assignment, discussion, or submission by the posted due date. Failure to meet these standards will result in an absence for that day. Instructors will determine how many asynchronous attendance days are required each week.

Regular and punctual attendance at all classes is considered essential to optimum academic achievement. If the student is absent from more than 10 percent of class meetings, the faculty member can file a written report which may result in de-enrollment. If the absences exceed 20 percent, the student may be de-enrolled without notice until the university drop date or, after that date, receive the appropriate grade for their work and participation. See Academic Policies in the Academic Catalog for additional detail.

## **USE OF TECHNOLOGY**

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In order to be successful in the online environment, you'll need to meet the minimum technology and system requirements; please refer to the [Technology and System Requirements](#) information. Additionally, students are required to have headphone speakers compatible with their computer available to use. If a student is in need of technological resources please contact [student-tech-request@pointloma.edu](mailto:student-tech-request@pointloma.edu).

Problems with technology do not relieve you of the responsibility of participating, turning in your assignments, or completing your class work.

## **FINAL EXAMINATION POLICY**

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Successful completion of this class requires taking the final examination **on its scheduled day**. No requests for early examinations or alternative days will be approved.

## COURSE SCHEDULE

Class #	Date	Chapter/Reading	Topic	Quiz/Test Dates
1	1-Mar	Syllabus & Ch 1	Intro: The Investment Environment	
2	3-Mar	Course Fly-by	The Entire Course in an hour	
3	8-Mar	CH 2-3	Securities Markets & Transactions	Quiz #1-Flyover
4	10-Mar	CH 3	Investment Information	
5	15-Mar	CH 4a	Risk & Return/Time Value of Money	Quiz #2, CH 1-3
6	17-Mar	CH 4b	Risk & Return/Time Value of Money	
7	22-Mar	CH 5	Modern Portfolio Theory	
8	24-Mar	CH 6	Common Stocks	Quiz #3, CH 4-5
9	29-Mar	CH 7	Common Stock Analysis	
	31-Mar	<b>No Class</b>		
<b>10</b>	5-Apr	CH 8	Stock Valuation	
11	7-Apr	MT1 Review Session		Quiz #4, CH 6-8
12	12-Apr	<b>Mid-Term 1</b>	<b>CH 1-8</b>	<b>Mid-Term Exam 1</b>
13	14-Apr	CH 9	Market Efficiency, Behavioral Finance	
14	19-Apr	CH 18	Real Estate Investments/REITs	
15	21-Apr	Portfolio Review	Review stock picks & perf. & metrics	Quiz #5, CH 9, 18
	26-Apr	CH 10	Fixed Income Securities	
16	28-Apr	CH 11	Bond Valuation	
17	3-May	CH 12-13	Mutual Funds & ETFs/Portfolio Mgmt	Quiz #6, CH 10-11
	5-May	<b>No Class</b>		
18	10-May	MT2 Review Session		
19	12-May	<b>Mid-Term Exam 2</b>	<b>CH 9-13, 18</b>	<b>Mid-Term Exam 2</b>
20	17-May		Personal Finance	
<b>21</b>	19-May	CH 14-15	Options/Futures	
22	24-May		Student Presentations	Quiz #7, CH 12-15
23	26-May		Student Presentations	
24	31-May		Student Presentations	
25	2-Jun		Review Session	
26	<b>Finals Week</b>	<b>Exam Day</b>	<b>Wednesday 6/9; 7:30 - 10:00 a.m.</b>	