Argosy University
COURSE SYLLABUS
B6201
Investment/Portfolio Theory

Faculty Information
- **Faculty Name:**
- **Campus:**
- **Contact Information:**
- **Office Hours:**
- **Short Faculty Bio:**

Course description: This course explores theory and techniques that are basic for the control of investment risks and optimization of investment returns. This course analyzes contemporary theories such as the Random Walk, Market Efficiency, Portfolio Theory, Security Analysis and techniques of security selection and availability to the institutional portfolio manager. Topics include analysis of securities and security market operations, theories of market behavior, and application in selection of personal and corporate investment strategies. Students focus on the role of the modern portfolio manager in achieving diversification along with reviewing and evaluating client investment goals.

Course Pre-requisites: None

Required Textbook:

IMPORTANT: You are not required to purchase the textbook for this course. Your textbook will be available to you as an electronic book with your fully online or blended course on the eCollege platform.

Bodie, Kane, & Marcus. (2008). *Essentials of investments*. (7/e). McGraw-Hill.

Course length: 7.5 Weeks

Contact Hours: 45 Hours

Credit Value: 3.0

Program Outcomes:
1. Communication
   1.1. Oral/Written – Present business information orally and in writing using appropriate technology that is concise, clear, organized, supported, and persuasive in a professional manner appropriate to the business context
2. Critical Thinking/Problem Solving
   2.1. Critical Thinking – Incorporate and synthesize information, theory, and practice in order to implement appropriate business actions

2.2. Problem Solving/Decision Making – Given a business situation, diagnose the underlying causes of the situation, evaluate possible solutions, and determine and defend appropriate course of action
2.3. Information Literacy – Access information from a variety of sources, evaluate the credibility of the sources, and apply that information to solve business problems

3. Team
   3.1. Leadership – Describe the requirements of team members and leaders to work effectively and creatively in achieving team goals
   3.2. Collaboration – Collect, categorize, and consider the views of all stakeholders
4. Ethics
   4.1. Ethics – Identify the ethical principles related to personal and corporate behavior in specific business situations and explains the potential consequences
5. Diversity
   5.1. Diversity – Identify the impact of both cultural and economic factors on the modern enterprise and explain the potential consequences
6. Analysis/Application
   6.1. Applied Technology – Select and defend business technology solutions to typical business problems
   6.2. Integration – Describe the interrelationship of the functional business areas of statistics, accounting, finance, marketing, operations, and strategy within the context of specific organizational goals

Course Objectives:

1. Formulate the differences in financial and real assets and identify the major components of the investment process.
2. Describe a derivative security and apply them to the markets.
3. Assess the various financial instruments available to potential investors.
4. Interpret, compose, and calculate processes involved in the various market indexes.
5. Evaluate options and futures contracts.
6. Identify the mechanics, risk, and calculations involved in both margin and short trading.
7. Assess the implications, ambiguities, and complexities of insider trading and the regulations concerning these issues.
8. Identify key differences between open-end and closed-end investment companies.
9. Describe the expenses associated with investment in mutual funds and identify the major types of investment policies of mutual funds.
10. Describe services provided by mutual funds and be able to identify sources of information on investment companies.
11. Calculate risk and return statistical measures, such as holding period returns, average returns, expected returns, and standard deviations, ex post and ex ante.

12. Construct portfolios of different risk levels, given information about risk free rates and returns on risky assets.
13. Calculate the expected return and standard deviation of these portfolios.
14. Calculate standard deviation and return for two security portfolios and be able to find the minimum variance combinations of two securities.
15. Assess systematic and firm-specific risk, and identify how one can reduce the amount of firm-specific risk in the portfolio by combining securities with differing patterns of returns.
16. Characterize the development and the theory of capital asset pricing model (CAPM), and construct and use the security market line.
17. Identify the components of arbitrage pricing theory (APT) and use the theory to identify mispriced securities.
18. Assess the concept of market efficiency and apply the concept to make rational investment decisions based upon the existence of market efficiency.

Assignment Table

Unit	Module Topics	Readings	Assignments
1	Investments Risk and Return The Financial Market Securities	Chapter 1 Chapter 2	
2	Securities Markets Mutual Funds	Chapter 3 Chapter 4	
3	Risk and Return Efficient Portfolios	Chapter 5 Chapter 6	
4	Capital Asset Pricing Model	Chapter 7	
5	The Efficient Market Hypotheses Behavioral Critique Bond Fundamentals Bond Prices and Yields	Chapter 8 Chapter 9	
6	Managing Bond Portfolios	Chapter 10	
7	Option Markets	Chapter 14	
8	Course Project Submission		

Grading Criteria

Grading Scale
Grading requirements

A	100 – 93
A-	92 – 90
B+	89 – 88
B	87 – 83
B-	82 – 80
C+	79 – 78
C	77 – 73
C-	72 – 70
F	69 and below

Attendance/participation	*25%*
Weekly Assignments	*20%*
Final paper	*35%*
Optional	*10%*
Optional	*10%*
	100%

Library

All resources in Argosy University's online collection are available through the Internet. The campus librarian will provide students with links, user IDs, and passwords.

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In addition to online resources, Argosy University's onsite collections contain a wealth of subject-specific research materials searchable in the Online Public Access Catalog. Catalog searching is easily limited to individual campus collections. Alternatively, students can search combined collections of all Argosy University Libraries. Students are encouraged to seek research and reference assistance from campus librarian.

Academic Policies

Academic Dishonesty/Plagiarism: In an effort to foster a spirit of honesty and integrity during the learning process, Argosy University requires that the submission of all course assignments represent the original work produced by that student. All sources must be documented through normal scholarly references/citations and all work must be submitted using the current edition of the *Publication Manual of the American Psychological Association.* Students are encouraged to purchase this manual and become familiar with its content as well as consult the Argosy University catalog for further information regarding academic dishonesty and plagiarism.

Scholarly writing: The faculty at Argosy University is dedicated to providing a learning environment that supports scholarly and ethical writing, free from academic dishonesty and plagiarism. This includes the proper and appropriate referencing of all sources. You may be asked to submit your course assignments through "Turnitin," (www.turnitin.com), an online resource established to help educators develop writing/research skills and detect potential cases of academic dishonesty. Turnitin compares submitted papers to billions of pages of content and provides a comparison report to your instructor. This comparison detects papers that share common information and duplicative language.

Americans with Disabilities Act Policy

It is the policy of Argosy University to make reasonable accommodations for qualified students with disabilities, in accordance with the Americans with Disabilities Act (ADA). If a student with disabilities needs accommodations, the student must notify the Director of Student Services. Procedures for documenting student disability and the development of reasonable accommodations will be provided to the student upon request.

Students will be notified by the Director of Student Services when each request for accommodation is approved or denied in writing via a designated form. To receive accommodation in class, it is the student's responsibility to present the form (at his or her discretion) to the instructor. In an effort to protect student privacy, the Department of Student Services will not discuss the accommodation needs of any student with instructors. Faculty may not make accommodations for individuals who have not been approved in this manner.

The Argosy University Statement Regarding Diversity

Argosy University prepares students to serve populations with diverse social, ethnic, economic, and educational experiences. Both the academic and training curricula are designed to provide an environment in which students can develop the skills and attitudes essential to working with people from a wide range of backgrounds.