



FINA 469

Investment Analysis and Portfolio Management

Fall 2024 Section 007

1 Course Details

Lectures: Tuesdays and Thursdays from 10:05am to 11:20am

Room: 135 Darla Moore School of Business

Professor: Aaron Mora, PhD

Email: aaron.mora@sc.edu

Office: 457C Darla Moore School of Business

Office hours: Wednesdays from 2:00pm to 5:00pm by appointment. Use this [Link](#) to book an appointment.

2 Course Description

This course provides a rigorous and comprehensive discussion of fundamental principles related to investment analysis and portfolio management. Topics include investment instruments, portfolio theory, and valuation of equity, fixed-income securities, and options.

3 Learning Outcome

At the end of this course you should understand how security markets function, the trade-off of risk and return, and how to develop investment strategies.

This course helps you prepare for the Chartered Financial Analyst (CFA) exams, which can help you stand out on the job market and advance your future career in finance quicker.

4 Prerequisites

FINA 363: Introduction to Finance.

In addition to doing well in FINA 363, you should also have a solid knowledge in mathematics, econometrics and statistics, such as how to conduct OLS regressions, how to compute the mean, variance, standard deviation, covariance, and correlation coefficient of data series. You should also know how to use Excel to achieve these computations.

5 Course Materials

Textbook with Connect: *Essentials of Investments* by Bodie, Kane and Marcus. 2024 Release. McGraw-Hill.

The eBook with Connect can be purchased through following section-specific link:

https://connect.mheducation.com/class/fina469_mora_f2024_007_1005am

The cost is \$138.45, which includes the eBook. In order to access course materials, such as the eBook, quizzes, homework, and exams, you must register in Connect at the section-specific link. Please make sure you register at the right link in order to submit your homework and exam from the right section! The link contains the information on the section number and class starting time.

Alternatively, you can buy the hard copy of the textbook with the Connect feature (although this will be more expensive). The Connect access code packaged with the hard copy textbook shall allow you to access the course's Connect. If you have questions please contact me.

Online Resources:

- i. Connect: You need to register via the above section link since all the homework and exams will be conducted through your Connect account. You will complete your homework asynchronously. You can log into your Connect account to do your homework at whatever time is convenient for you as long they are submitted by the corresponding deadlines. On the other hand, all exams will be synchronous and conducted via Connect, in person, and in the classroom where you take the lectures.
- ii. Blackboard: We will use Blackboard for course announcements. The student is responsible for regularly checking for updates in the course's Blackboard site. To save time, consider linking your university email with your blackboard account so that you can receive my announcements in time without having to log into Blackboard.

- iii. Email: If you need to get in touch with me, the best method is via email. Generally, I will reply to emails within 24 hours and will provide feedback on assignments within 48 hours after the deadline.

6 Course Requirements

Homework: There will be five homework assignments. All homework is conducted via Connect and will be automatically graded. Each homework will be based on book chapters and will consist of Multiple Choice and some Excel-based questions to enhance your analytical skills. The following policies apply to homework:

1. Homework is due by midnight of the due date listed on the homework. The following posting and due dates are tentative. The actual due date may differ and will be clearly specified by announcements over the semester.
 - i. HW1 will be posted on Tue (8/27) and it is due Wed (9/4). It will cover the materials on Lectures 1 and 2.
 - ii. HW2 will be posted on Thu (9/12) and it is due Wed (9/18). It will cover the materials on Lectures 3, 4, and 5.
 - iii. HW3 will be posted on Thu (10/3) and it is due Wed (10/9). It will cover the materials on Lectures 6 and 7.
 - iv. HW4 will be posted on Tue (10/22) and it is due Mon (10/28). It will cover the materials on Lectures 8 and 9.
 - v. HW5 will be posted on Thu (11/14) and it is due Fri (11/22). It will cover the materials on Lectures 10 and 11.
2. Late homework will not be accepted.
3. Group discussions are allowed and encouraged. However, each student is individually responsible for submitting their own homework.
4. You will have 2 attempts to complete each homework to achieve a higher score. The score from the last attempt will be recorded.
5. Solutions are provided via Connect the next day after the due date.
6. You will receive a 0 on all missed assignments unless you have a valid excuse; please review USC's [undergraduate academic regulations](#) on what constitutes a valid excuse. If you miss an assignment and have a valid excuse with proof, I can assign the weight of the missed homework equally to the other homework. The maximum number of exceptions I can make is one per semester, but you will need my approval on this prior to missing the homework.

7. Every homework submission must be fully prepared by the student. The use of generative artificial intelligence tools will be treated as plagiarism. If you have questions please contact me.

Exams: We will have three exams. The following policies apply to exams:

1. All exams will consist of Multiple Choice and Short Answer questions.
2. The first two exams will be held during regular class time and are not cumulative (except for core concepts). The final exam will be cumulative and cover all the materials but focuses on the materials after the first exam.
3. All exams are closed-book and conducted via your Connect account, in person, and in the classroom where you take the lectures.
4. You can bring a double-sided formula sheet (typed or handwritten, letter size) for the first two exams and two double-sided formula sheets for the final exam.
5. No communication between students during the exams is permitted.
6. The use of generative artificial intelligence tools during the exam is prohibited.

Evaluation and Grading Scale: All grades will be posted on Connect. A final letter grade will be assigned based on the weighted average score across homework and exams. The weighted average will be computed according to the following weights:

Grading Component	Weight
Homework (Five)	35% (7% each)
Exam 1	15%
Exam 2	15%
Final Exam	35%

The letter grade will be based on your rounded weighted average score or your rank in this class, whichever provides you with a higher letter grade. The letter grade will be assigned according to the following table.

Letter Grade	Weighted Average Score (Level or Rank)
A	[90,100] or ranked above 30% of the class
B+	[85, 90) or ranked above 40% and below 30% of the class
B	[80, 85) or ranked above 50% and below 40% of the class
C+	[75, 80) or ranked above 60% and below 50% of the class
C	[70, 75) or ranked above 60% and below 60% of the class
D+	[65, 70) or ranked above 70% and below 70% of the class
D	[60, 65) or ranked above 80% and below 80% of the class
F	<60 regardless of the rank

7 Tentative Course Schedule

Course schedule subject to change.

Week	Dates	Class Topic	Readings	Note
1	Tue. 8/20 & Thu. 8/22	Course Overview & Investment Environment	Ch. 1	
2	Tue. 8/27 & Thu. 8/29	Financial Instruments & Securities Markets	Ch. 2, 3	
3	Tue. 9/3 & Thu. 9/5	Securities Markets	Ch. 3	HW1 Wed (9/4)
4	Tue. 9/10 & Thu. 9/12	Mutual Funds & Risk and Return	Ch. 4, 5	
5	Tue. 9/17 & Thu. 9/19	Efficient Diversification	Ch. 6	HW2 Wed (9/18)
6	Tue. 9/24 & Thu. 9/26	Q&A (9/24) and Exam 1 (9/26)		Exam 1 (9/26) Ch. 1-6
7	Tue. 10/1 & Thu. 10/3	CAPM, APT & Efficient Market Hypothesis	Ch. 7, 8	
8	Tue. 10/8 & Thu. 10/10	Bond Valuation	Ch. 10	HW3 Wed (10/9)
9	Tue. 10/15	Bond Valuation	Ch. 10	Fall Break (10/17)
10	Tue. 10/22 & Thu. 10/24	Equity Valuation	Ch. 13	
11	Tue. 10/29 & Thu. 10/31	Q&A (10/29) & Exam 2 (10/31)		HW4 Mon (10/28) Exam 2 (10/31) Ch. 7, 8, 10, 13
12	Thu. 11/7	Options Markets	Ch. 15	Election Day (11/5)
13	Tue. 11/12 & Thu. 11/14	Options Markets & Options Valuation	Ch. 15, 16	
14	Tue. 11/19 & Thu. 11/21	Options Valuation & Futures Markets	Ch. 16, 17	HW5 Fri (11/22)
15	Tue. 11/26 & Thu. 11/28			Thanksgiving
16	Tue. 12/3 & Thu. 12/5	Futures Markets and Q&A (12/5)	Ch. 17	
17	Thu. 12/12	Final Exam (12/12)		Cumulative

8 Other important dates in the semester

- Last day to change/drop a course without receiving "W" grade: Monday August 26, 2024
- Last day to drop/withdraw a course without receiving "WF" grade: Wednesday November 6, 2024
- Last Day of Classes: Friday December 6, 2024
- Reading Day: Saturday December 7, 2024

9 Course Policies and Codes

9.1 Attendance Policy

Attendance to lectures will not be graded. However, be advised that success in this course is dependent on your active participation throughout the semester

9.2 Exam Day Absences

If you cannot attend an exam, please contact me as soon as possible to work an alternative. In order to schedule a make-up exam you should have a valid excuse; please review USC's [undergraduate academic regulations](#) on what constitutes a valid excuse.

9.3 The University of South Carolina Honor Code

It is the responsibility of every student at the University of South Carolina Columbia to adhere steadfastly to truthfulness and to avoid dishonesty, fraud, or deceit of any type in connection with any academic program. Any student who violates this Honor Code or who knowingly assists another to violate this Honor Code shall be subject to discipline. Every student has a role in maintaining the academic reputation of the university. It is imperative that you refrain from engaging in plagiarism, cheating, falsifying your work and/or assisting other students in violating the Honor Code.

The Moore School takes academic integrity seriously. Please be aware of the consequences of honor code violations. Honor code violations may:

1. Result in probation, suspension, or expulsion.
2. Lead to a grade penalty in the course causing a student's GPA to fall below the GPA required for progression, retention, or graduation.
3. Lead to notation on a student's transcript.

9.4 Darla Moore School of Business Code of Student Conduct

The Darla Moore School of Business is recognized globally for educating students who are prepared to become responsible business and civic leaders. An effective learning environment where students and faculty value integrity, professionalism and diligence is foundational to this mission. Consistent with these values, USC's Leadership Council and the faculty of the Darla Moore School of Business expect students to:

- Spend at least two hours outside of class studying for each hour of classroom time.
- Exhibit classroom behavior that is respectful to faculty and fellow students.
- Refrain from the use of phones and other electronic equipment during class unless permitted by the instructor.
- Arrive to class on time, actively participate in class and not leave class early.
- Keep up with assigned readings and complete assignments on time.
- Contribute fully to team assignments.
- Respect the university's staff and be responsible stewards of its facilities.
- Abide by the University of South Carolina Honor Code approved by the Undergraduate Student Leadership Council and the faculty of the Darla Moore School of Business.

10 University Resources

10.1 Mental Health Resources

If stress is impacting you or getting in the way of your ability to do your schoolwork, maintain relationships, eat, sleep, or enjoy yourself, please reach out to any of our mental health resources. Most of these services are offered at no cost as they are covered by the Student Health Services tuition fee. For all available mental health resources, check out USC's Student Health and Well-Being [website](#) and the quick reference list below.

- Wellness Coaching can help you improve in areas related to emotional and physical wellbeing (e.g., sleep, resiliency, balanced eating and more) – schedule an appointment at 803-777-6518 or on [MyHealthSpace](#).
- Access virtual self-help modules via [Therapy Assistance Online \(TAO\)](#).
- Access additional articles and videos on health and wellness topics on the [Wellness Hub](#), or by downloading the [CampusWell](#) app and searching for University of South Carolina.

- Counseling & Psychiatry offers individual and group counseling and psychiatric services – schedule an appointment at 803-777-5223 or on [MyHealthSpace](#).
- Access the 24-hr Mental Health Support Line at 833-664-2854.
- Access an anonymous [mental health screening program](#).

10.2 Disability Services

Student Disability Resource Center: The Student Disability Resource Center (SDRC) empowers students to manage challenges and limitations imposed by disabilities. Students with disabilities are encouraged to contact me to discuss the logistics of any accommodations needed to fulfill course requirements (within the first week of the semester). In order to receive reasonable accommodations from me, you must be registered with the Student Disability Resource Center (1705 College Street, Close-Hipp Suite 102, Columbia, SC 29208, 803-777-6142). Any student with a documented disability should contact the SDRC to make arrangements for appropriate accommodations.

10.3 Technical Support

If you have problems with your computer, technology, IT-related questions, support, including Blackboard, please contact the Division of Information Technology (DoIT) Service Desk at 803-777-1800 or submit an online request through the [Self-Service Portal](#) or visit the [Carolina Tech Zone](#).