STATE UNIVERSITY OF NEW YORK
COLLEGE OF TECHNOLOGY
CANTON, NEW YORK

MASTER SYLLABUS

FSMA320 – INVESTMENT ANALYSIS & PORTFOLIO THEORY

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SCHOOL OF BUSINESS & LIBERAL ARTS
BUSINESS DEPARTMENT

SPRING 2019

A. **TITLE**: Investment Analysis and Portfolio Theory

B. **COURSE NUMBER:** FSMA320

C. **CREDIT HOURS:** Three lecture hours per week for 15 weeks (3 credits)

D. **WRITING INTENSIVE COURSE**: No

E. **GER CATEGORY:** None

F. **SEMESTER(S) OFFERED:** Both

G. **COURSE DESCRIPTION** The course provides a foundation for selecting financial assets and form sound investment decisions. Lectures cover both traditional and modern approaches to security selection, investment analysis and portfolio management, with emphasis on investment strategy and investment performance evaluation. The major topics to be covered include portfolio analysis, company/industry analysis, optimal portfolio selection, efficient transactions, performance evaluation and investment ethics. Current topics, such as options, futures, swaps and other financial instruments are also explored.

H. **PRE-REQUISITES/CO-COURSES:**

a. Pre-requisite (s) - Financial calculator, FSMA 210, or permission of the instructor
b. Co-requisite (s): None
c. Pre- or co-requisite (s): None

I. **STUDENT LEARNING OUTCOMES**:

Course Student Learning Outcome [SLO]	***PSLO***	***GER***	***ISLO***
a. Recognize current investment regulations, related ethics and professional conduct	6	None	4 [ER]
b. Demonstrate practical techniques for bond and equity portfolio management	1	None	2 [CA]
c. Utilize and interpret various portfolio performance measures	2	None	2 [CA]
d. Formulate sound investment strategy in response to external environmental opportunities and threats	2	None	2 [IA]

KEY	**Institutional Student Learning Outcomes [ISLO 1 – 5]**
ISLO #	**ISLO & Subsets**
1	**Communication Skills** Oral [O], Written [W]
2	**Critical Thinking** *Critical Analysis [CA] , Inquiry & Analysis [IA] , Problem Solving [PS]*
3	**Foundational Skills**

	Information Management [IM], Quantitative Lit,/Reasoning [QTR]
4	**Social Responsibility** *Ethical Reasoning [ER], Global Learning [GL], Intercultural Knowledge [IK], Teamwork [T]*
5	**Industry, Professional, Discipline Specific Knowledge and Skills**

J. **APPLIED LEARNING COMPONENT:** **Yes___X___ No_____**

K. **TEXTS:** (If a text is used it should adhere to APA, MLA or ASA)

Feilly, F.K., and Brown, K.C., *Investment Analysis and Portfolio Management*, (2012) 10e, ISBN: 0538482389, Independence, Kentucky, Cengage Learning

L. **REFERENCES:** The Wall Street Journal, The New York Times, Financial Times, plus, various on-line financial analytics, databases, news sources, and calculators.

M. **EQUIPMENT:** SUNY Canton e-mail address and access to internet is required for research portions of the course requirements.

N. **GRADING METHOD:** A-F

O. **SUGGESTED MEASUREMENT CRITERIA/METHODS:**

- Exams
- Quizzes
- Homework
- Participation

P. **DETAILED COURSE OUTLINE:**

I. The Investment Setting
   - A. What Is an Investment?
   - B. The Portfolio Management Process
   - C. Standards for Evaluating Portfolio Performance
   - D. The Importance of Asset Allocation

II. Organization and Functioning of Securities Markets
   - A. Organization of the Securities Market
   - B. Security-Market Indexes
   - C. Uses of Security-Market Indexes

III. Efficient Capital Markets
   - A. Alternative Efficient Market Hypotheses
   - B. Efficient Markets and Technical Analysis
   - C. Efficient Markets and Fundamental Analysis
   - D. Efficient Markets and Portfolio Management
   - E. Behavioral Finance

IV. An Introduction to Portfolio Management
- A. Some Background Assumptions
- B. Markowitz Portfolio Theory
- C. The Efficient Frontier
- D. The Efficient Frontier and Investor Utility

V. Asset Pricing Models
- A. Background for Capital Market Theory
- B. The Capital Asset Pricing Model
- C. Zero-Beta Model
- D. Arbitrage Pricing Theory
- E. Multifactor Models in Practice

VI. Analysis of Financial Statements
- A. Major Financial Statements
- B. Analysis of Financial Ratios
- C. Risk Analysis
- D. Growth Analysis

VII. Security Valuation
- A. Theory of Valuation
- B. Market Analysis
- C. Industry Analysis
- D. Company Analysis
- E. Discounted Cash Flow Valuation Techniques
- F. Relative Valuation Techniques

VIII. Technical Analysis
- A. Assumptions of Technical Analysis
- B. Technical Trading Rules and Indicators
- C. Technical Analysis of Equity Markets
- D. Technical Analysis of Foreign Markets
- E. Technical Analysis of Bond Markets

IX. Equity Portfolio Management
- A. The Fundamentals of Stock Valuation
- B. Fundamental Strategies
- C. Technical Strategies
- D. Value versus Growth Investing
- E. Passive versus Active Management

X. Bond Portfolio Management Strategies
- A. The Fundamentals of Bond Valuation
- B. Term-Structure Theories
- C. Duration Measures
- D. Immunization Strategies
- E. Bond Portfolio Performance, Style, and Strategy
- F. Passive versus Active Management

XI. An Introduction to Derivative Markets and Securities
- A. Overview of Derivative Markets

B. The Basic Nature of Derivative Investing
C. An Introduction to the Use of Derivatives in Portfolio Management

XII. Evaluation of Portfolio Performance
A. Performance Measurement Techniques
B. Application of Portfolio Performance Measures
C. Performance Attribution Analysis
D. Ethics and Regulation in the Investment
E. Standards for Ethical Behavior

Q. LABORATORY OUTLINE: None