Instructor: Dr. Becky Lafrancois (Dr. L or Professor L)
Office: 110 Engineering Hall  email: blafranc@mines.edu  Office Phone: 303-384-2191
Office Hours: 11-12 Monday & Wednesday; 1:30-3:30 Tuesday; 8-9 Friday; or by appointment*

*You may schedule appointments outside of office hours through email.

Class Meetings: Monday, Wednesday, and Friday, 10:00-10:50 AM
Class Location: CTLM – B56

Course Web Pages: Canvas and Connect (Connect will be integrated into Canvas)

Instructional Activity: 3 hours lecture  Semester Hours: 3
Course Designation: Economics and Business Elective**

** This course does not count as a HASS economics class. It will count towards an econ minor, major, or free elective in your course of study.

Course Description

The objective of this course is to introduce you to the principles of investment in competitive financial markets. This course will provide an overview of financial products, operations of the stock, bond, and other financial markets, stock and bond valuation, portfolio theory, derivatives markets, and investment management.

Prerequisites: EBGN201

Required Materials

Textbook/ebook – Essentials of Investments 11th Edition – Bodie, Kane, and Marcus
https://www.amazon.com/Random-Walk-Down-Wall-Street/dp/1324002182
Online Portal for Homework – Connect for Essentials of Investments

Student Learning Outcomes

At the end of the course, students will:
- Identify and describe an array of financial assets
- Discuss how securities markets operate
- Determine the efficient diversification of a portfolio
- Determine the value of bonds and stocks
- Discuss the characteristics of derivative instruments
- Calculate the value of options using the Black-Sholes model
- Use techniques of investment theory to develop long-run investment planning schemas
Topics Covered – additional detail in course calendar

Section 1: Elements of Investments
Section 2: Investment Management
Section 3: Equity Analysis
Section 4: Debt Securities
Section 5: Portfolio Theory
Section 6: Derivative Markets

Grading

Your grade in this class will be based on your overall percent average, using the following guidelines:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>A</td>
<td>90-100%</td>
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<tr>
<td>B</td>
<td>80-89.999%</td>
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<tr>
<td>C</td>
<td>70-79.999%</td>
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<tr>
<td>D</td>
<td>60-69.999%</td>
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<tr>
<td>F</td>
<td>below 60%</td>
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These guidelines are subject to change, but if you score in the stated range you are guaranteed at least the corresponding grade.

Grades will be maintained and posted on Blackboard.

Summary of Course Components and Grading

Components:

1. Homework, Online Homework, Other Assignments 15%
2. In-class Assignments 15%
3. Two Non-Cumulative Exams 40%
4. Book Club Assignment 15%
5. Stock Market Simulator Project 15%

Grievance Procedure: Anyone feeling that a dispute exists after the grading of any assignment or exam may submit a written grievance. The grievance should identify the item in dispute and arguments supporting the student's position. Grievances must be submitted in writing within two class periods following the return of the assignment or exam. I will return a written response within two class periods after receipt.

Grading Components

Homework Problems, Online Homework, Other Assignments – 15% of final grade

Most homework assignments will be conducted using the Connect online learning system. Due dates will be announced in class and posted on Canvas. There will likely be other homework assignments that are submitted in class or on Canvas.
In-Class Assignments – 15% of final grade

A significant amount of class time will be devoted to working on problems individually or in groups. You will turn in these problems for credit. Credit will be given based on completeness and correctness of your work on a scale of 0 to 10.

Two Non-cumulative Exams – 40% of final grade – 20% each

Exams will be take-home. Exams will be comprised mostly of problem solving and analysis of financial information.

Book Club Assignment – 15% of final grade

There are many books in the popular press that focus on investment topics. This semester, we will read A Random Walk Down Wall Street (12 edition) by Burton G. Malkiel. You will form a “book club” with approximately 3-4 other students. You will be required to participate in group discussions of your book throughout the semester. Complete details will be provided in a separate document.

Simulation Portfolio Management – 15% of final grade

You will use an investment simulator (How The Market Works) to manage a $50,000 portfolio for 12 weeks (9/10-11/29). In the process of managing your portfolio, you will be required to determine investment goals and an investment strategy and undertake a certain number and types of trades. You will submit bi-weekly portfolio updates and prepare a final report. Full details will be provided in an additional document.

Course Attendance Policy

Please be familiar with the Attendance Policy for the Colorado School of Mines: http://inside.mines.edu/Student-Absences

Exams: The dates of exams are indicated on this syllabus. Please mark your calendars early. I generally do not offer make-up exams, unless there are extenuating circumstances. These circumstances include documented illness, family emergencies, and business/athletic/school related trips. Excused absences are required for make-up exams to be scheduled.

Lectures: I expect students to regularly attend and participate in class. If you miss a lecture, it is your responsibility to get any notes and assignments from that class. It is up to you to master the subject matter of the course and to demonstrate the ability to use the tools covered at an acceptable skill level.

Coursework Return Policy

Homework assignments will be graded online and results will be made available immediately. Quizzes will be graded within one week and will be available for review in class.
**Students with Disabilities**

The Colorado School of Mines is committed to ensuring the full participation of all students in its programs, including students with disabilities. Colorado School of Mines complies with all federal and state laws and regulations regarding discrimination, including the Americans with Disabilities Act of 1990. If you are registered with Disability Support Services (DSS) and I have received your letter of accommodations, please contact me at your earliest convenience so we can discuss your needs in this course. For questions or other inquiries regarding disabilities, I encourage you to visit disabilities.mines.edu for more information.

If you have a disability have not registered with Disability Support Services and need a reasonable accommodation for equal access to education or services at Colorado School of Mines, please contact the Disability Services Office at 1770 Elm St. – Wellness Center 209, by calling 303-273-3297, or emailing Marla Draper mdraper@mines.edu. If you have a disability that could affect your performance in this class or that requires an accommodation under the Americans with Disabilities Act, please see me as soon as possible so that we can make appropriate arrangements.

**Policy on Academic Integrity/Misconduct**

The Colorado School of Mines affirms the principle that all individuals associated with the Mines academic community have a responsibility for establishing, maintaining and fostering an understanding and appreciation for academic integrity. In broad terms, this implies protecting the environment of mutual trust within which scholarly exchange occurs, supporting the ability of the faculty to fairly and effectively evaluate every student’s academic achievements, and giving credence to the university’s educational mission, its scholarly objectives and the substance of the degrees it awards. The protection of academic integrity requires there to be clear and consistent standards, as well as confrontation and sanctions when individuals violate those standards. The Colorado School of Mines desires an environment free of any and all forms of academic misconduct and expects students to act with integrity at all times.

Academic misconduct is the intentional act of fraud, in which an individual seeks to claim credit for the work and efforts of another without authorization, or uses unauthorized materials or fabricated information in any academic exercise. Student Academic Misconduct arises when a student violates the principle of academic integrity. Such behavior erodes mutual trust, distorts the fair evaluation of academic achievements, violates the ethical code of behavior upon which education and scholarship rest, and undermines the credibility of the university. Because of the serious institutional and individual ramifications, student misconduct arising from violations of academic integrity is not tolerated at Mines. If a student is found to have engaged in such misconduct sanctions such as change of a grade, loss of institutional privileges, or academic suspension or dismissal may be imposed.

- The complete policy is [online](#).

**Discrimination and Harassment**

This course and all learning opportunities at Mines require a safe environment for everyone to be productive, develop professional practices, and to be able to share and learn without fear of discrimination or harassment. **Discrimination or harassment of any type will not be tolerated.**
Sometimes harassment is unintentional, but regardless of intent the instructor will address any language or behaviors that might discriminate, stereotype, or promote harassment. If you witness discrimination or harassment of others, please bring it to the attention of Mines faculty so it can be addressed immediately.

Title IX is a federal law that protects individuals from discrimination based on sex and gender in educational programs or activities. Mines takes its Title IX obligations seriously and is committed to providing a campus community free from gender-based discrimination. Gender-based discrimination, including sexual harassment, sexual violence, stalking, and domestic violence, is prohibited within the Mines campus community. If these issues have impacted you or someone you know, you can appropriate resources here: http://inside.mines.edu/POGO-Title-IX. You can also contact the Mines Title IX Coordinator, Camille Torres, at 303.384.2558 or titleix@mines.edu for more information.

CARE @ Mines

Living, learning, and working at Colorado School of Mines can cause stress and may be a reason that someone is displaying distressed or disruptive behavior. Mines is committed to providing a safe and supportive environment for all members of the campus community. The CARE Team at Mines provides assistance to the campus community to help access and find solutions for managing these difficult situations.

The CARE at Mines website (care.mines.edu) provides information on campus and community resources that are available. Distressed and disruptive behavior usually includes a change in a person’s performance, appearance, or emotional state and may be symptomatic of a person’s inability to manage personal or emotional difficulties. Behaviors may include:

- Sleep disturbances (too much or too little)
- Class attendance or participation issues
- Change in personal hygiene
- Altered performance in academic/organization pursuits
- Difficulty making decisions
- Heightened emotional response
- Over dependence on others
- Self-harm behaviors (cutting, burning)
- Expressed suicidal thoughts
- Engaging in risky behaviors that are out of character/context
- Alcohol and Drug Abuse

If you have noticed any of these behaviors or are concerned for your students, please email CARE at CARE@mines.edu or visit the care.mines.edu website to start the support process and seek assistance.

Additional suggestions for referrals for support, depending on comfort level and needs include:

- CARE at Mines – for various resources and options, or to submit an online “CARE report” about someone you’re concerned about (email care@mines.edu)
- CASA – for academic advising, tutoring, academic support, and academic workshops
- **Counseling Center** – for students to call 303-273-3377 for an appointment. There are also online resources for students on the website. Located in the Wellness Center 2nd floor at 1770 Elm St.
- **Health Center** – students may call 303-273-3381 for appointment. Located in Wellness Center 1st floor at 1770 Elm St.
- **Colorado Crisis Services** – for crisis support 24/7, either by phone, text, or in person. Colorado Crisis Services is a great confidential resource, available to anyone by calling 1-844-493-8255, or texting “TALK” to 38255. Walk-in location addresses are posted on the website.

All of these options are available for free for students. The Counseling Center, Health Center, and Colorado Crisis Services are confidential resources. The Counseling Center will also make referrals to off-campus counselors, if preferred. In an emergency, you should call 911, and they will dispatch a Mines or Golden PD officer to assist.
**Course Outline**

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<td>Capital Asset Pricing and Arbitrage Pricing Theory</td>
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<td>Option Valuation</td>
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<td>Futures Markets and Risk Management</td>
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*Course content subject to change. All changes will be announced in class and online. It is your responsibility to keep up with posted announcements.*