Instructor: Anan Zhuang                              Office Hours: 2:00–4:00 PM (M)
Office: Friday 272B                                         Email: azhuang@uncc.edu
Class Time: 6:30–9:15 PM (M)                                      Class Location: MCEN 117

Course Objectives and Prerequisites:
This course provides an understanding of the nature of the capital markets and financial instruments. The purpose of the course is to learn how investors can use financial assets to meet their goals. This involves portfolio choice, asset pricing, security analysis, performance evaluation, and risk management. The focus is mostly on equity and fixed income securities, and derivative instruments will be covered. Financial Management (FINN 3120) is a prerequisite for this course.

Grading Policy:
Midterm-Exam: 30 %; Final Exam (not cumulative): 30%;
Assignments: 10%
Quiz: 10%
Attendance: 5%
Project: 15% + bonus points
In class bonus quiz may be assigned.

A: 90% and above, B: 80% and above, C: 70% and above, D: 60% and above and F: otherwise; Grades will be curved if necessary.
Required Textbook:

Other Materials:
1) PowerPoint slides are available on Moodle before the class: http://moodle.uncc.edu/. Any announcements for the course will be posted on Moodle, and students are responsible for checking their UNC-Charlotte student email and Moodle for important communication.

2) It is strongly recommended that you read The Wall Street Journal, which helps you understand how the concepts covered in class are applied in “real world” business settings.

3) Much of the course involves quantitative analysis. Therefore it is necessary for each student to have and be able to use a financial calculator. During exams, sharing calculators and using calculator manuals are strictly prohibited. I will be using a Texas Instruments BA II Plus calculator to present the calculator-solutions in class and will not explain how to use any calculators during exam time.

Assignments:
Pay attention to the due date of assignments. Late submission is normally unacceptable. If I agree to grade your late submission, you will earn half of the points. Students are encouraged to work in groups to discuss and understand assignments, but need to finish them independently. These assignments will count for 10% of the final grade. For additional practice, problems and cases are available at the end of each chapter.

Exam Policy and Requirements:
There will be two exams. The dates for the two exams are fixed. All exams will be in a multiple choice format, except bonus questions. Answers will be recorded on answer sheets which will be provided by the instructor. In addition, a financial calculator and a #2 pencil with a good eraser should be brought by students on test days to record answers on the sheet. Students are allowed to bring an A4 size formula sheet. Make-up exams will not be given barring extreme circumstances. You must provide documentation of the reason for absence by a medical doctor or appropriate UNC-Charlotte official. No make-up provision is available for exams missed due to oversleeping, lack of preparation, vacation, social events (including weddings), traffic, etc. UNC Charlotte student ID cards may be checked during each exam. Students must bring their student ID cards for random check.
Project:

PROJECT REQUIREMENT: Suppose you and your friends want to set up a small 5-year equity fund. I am a venture capitalist. If I find your fund interesting, I will help you set up the fund.

1.4-6 students per group.
2. Each group should email me the portfolio constituent on/before Mar 24th.
3. PPT slides need to be turned in before 11:59pm on Sunday (Apr 27th) by the group leader. If you can’t turn in your project on time, you can’t present. I will select the presentation order randomly and send the order to the group leader.
4. The project report (the prospectus) is required to turn in on/before Apr 28th. Please read the instructions and answer all the questions in the group report. The prospectus should be within 20 pages. Analysis or other support can be attached in the appendix (not counted in the 20 pages).
5. Presentation is on Apr 28th. 10 min-PRESENTATION: Should be concise, motivated, easy to follow, clearly addressing the most important questions in the prospectus. Remember the purpose of the presentation is to attract angel investors’ investment. Everyone in the group must present. After the 5-min presentation, there will be 2-min question time.
6. The concept you present should cover during the presentation: 1) Introduction of Group members (Just the names, 20s) 2) Description of the “star stocks” or reasons of your portfolio choice (Uniqueness of the portfolio. 5min) 3) First month performance (1min) 4) Evaluation of your portfolio (Benchmark to compare) and how you will do if the portfolio doesn’t work. (1min)
7. Business casual dressing. You should practice your presentation as a group. I expect that everyone in the group to present.

8. Grading policy:
Project reports need to turn in before/on Apr 28th. You can turn in through email or bring a hard copy to the class. Project grade is assigned 70% on the project report and 30% on the presentation.
Bonus points:
  a. Return bonus: 3 points are given to the winning team members. 2 points are given to the groups that have the second and third highest return. Please involve the data for me to check 1) weight of each stock in your portfolio 2) daily prices of each stock during the month 3) daily returns of the portfolio 4) monthly average return of the portfolio (sum of daily returns/days).
  b. Presentation bonus: All the students will vote during the presentation to pick 3 groups that they are willing to invest. Students can’t pick their own team. 3 points are given to the winning team members, 2 points for the groups at second and third place, 1 point for the groups at forth to sixth place.
  c. Report bonus: I will carefully review every report and assign at most 5 points to the report that has clear and completed stock selection description, future expectation et al.
d. All the group members need to show up on presentation. If there is an absence, other group member grade will be deducted by 20 points (40 points for two absence and so on) and the person who doesn’t show up has no presentation point. If you believe you have a good excuse, let me know before the presentation.

**Attendance and Participation:**

Attendance is required at all lectures. In-class attendance sheet will be given to assign at the end of some class sessions. These attendance sheets will be **unannounced and count for 5% of the final grade.** In-class close book/electric device quiz will count for another 10% of the final grade and may include some bonus questions. **No make-up quiz. Every student is expected to have completed daily reading of chapters prior to the appropriate class period.**

**Additional Important Information:**

*Disability Services:* Students in this course seeking accommodations to disabilities must first consult with the Office of Disability Services and follow the instructions of that office for obtaining accommodations.

*Student Conduct:* Regular attendance, promptness and appropriate classroom decorum is expected. Frequent tardiness or disruptive classroom behavior may result in a substantial grade penalty at the discretion of the instructor. Students may not use cell phones during an exam. **Any Academic dishonesty is not tolerated by The Belk College of Business Administration or the instructor.** Students are expected to be familiar with the university’s academic integrity policy. **This policy can be found online** at [http://www.legal.uncc.edu/policies/ps-105.html](http://www.legal.uncc.edu/policies/ps-105.html). Violations will be dealt with in the manner specified by the most recent edition of the UNC Charlotte Code of Student Academic Integrity.

*Statement on Diversity:* The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socioeconomic status.
# CLASS SCHEDULE (Tentative)

All Test Dates will not change. But the material covered may vary.

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<tr>
<th>Date</th>
<th>Topic</th>
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<tbody>
<tr>
<td>13-Jan</td>
<td>Syllabus, Chapter 1, 2</td>
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<td>20-Jan</td>
<td>Dr. Martin Luther King Jr. Day -University Closed</td>
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<tr>
<td>27-Jan</td>
<td>Chapter 2, 3 (HW1 is assigned, Chapter1-2-3)</td>
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<tr>
<td>3-Feb</td>
<td>Chapter 2, Chapter 1-2-3 Review, Quiz1 on Chapter 1-3, HW1 is due</td>
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<td>10-Feb</td>
<td>Chapter 5, 6</td>
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<td>17-Feb</td>
<td>Chapter 7, 8 (HW2 is assigned, Chapter 5-8)</td>
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<td>24-Feb</td>
<td>Chapter 8, Chapter 5-6-7-8 Review, Midterm Exam Review, Quiz2 on Chapter 5-6-7-8, HW2 is due</td>
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<td>3-Mar</td>
<td>Spring Recess - No Classes</td>
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<td>10-Mar</td>
<td><strong>Midterm Exam</strong></td>
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<td>17-Mar</td>
<td>Chapter 9, 10</td>
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<td>24-Mar</td>
<td>Chapter 10, 11 (HW3 is assigned, Chapter 9-10-11)</td>
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<td>31-Mar</td>
<td>Chapter 11, Chapter 9-10-11 Review, Quiz3 on 9-10-11</td>
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<td>7-Apr</td>
<td>Chapter 13, 15, HW3 is due</td>
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<td>14-Apr</td>
<td>Chapter 15, 16, Chapter 13-15-16 Review, (HW4 is assigned, Chapter13-15-16),</td>
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<td>21-Apr</td>
<td>Final Exam Review, HW4 is due, Quiz 4 on Chapter 13-15-16</td>
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<td>28-Apr</td>
<td>Project Presentation</td>
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<td><strong>Final Exam</strong></td>
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