

NVCC COLLEGE-WIDE COURSE CONTENT SUMMARY

FIN 108 - PRINCIPLES OF SECURITIES INVESTMENT (3 CR.)

COURSE DESCRIPTION

Provides an introduction to the fundamentals of the security investment process. Reviews the investment strategy associated with various types of stock orders, discusses the fundamental and technical approaches to common stock analysis, and examines bond and preferred stock pricing mechanisms. Also reviews the unique aspects of derivative security, mutual fund, real estate, and limited partnership investments. Lecture 3 hours per week.

GENERAL COURSE PURPOSE

To familiarize the student with the basic foundations of investment theory so that he/she may make sound investment decisions in his/her business or personal dealings.

ENTRY LEVEL COMPETENCIES

The student should possess average computing, analytical and reading skills.

COURSE OBJECTIVES

On the successful completion of this course, the student should be able to:

- A. demonstrate a sound framework for making investment decisions in a risk/return context
- B. understand the basic principles of security investment
- C. understand of the functioning of the capital markets
- D. know how to reach financial objectives by means of acquiring and managing a portfolio of securities

MAJOR TOPICS TO BE INCLUDED

- A. Analysis of risk-return factors inherent in every investment
- B. A study of the investment environment including the economy and the mechanics of capital markets
- C. Common stock analysis: Fundamental analysis, Efficient Market Theory, Technical Analysis, Valuation Models
- D. Bond analysis: systematic risk (interest rate risk), unsystematic risk (company risk), bond valuation models
- E. Preferred Stock
- F. Portfolio Analysis: Portfolio Selection
- G. Mutual Funds
- H. Real estate and limited partnerships

OPTIONAL TOPICS

- A. Stock options and futures: warrants, put and call options, stock index futures, derivatives
- B. Bond options and futures: convertible securities, interest rate futures
- C. International Security Investment
- D. Microcomputer Applications