

ECON 173A -- SYLLABUS (FALL 2015)
Foster, UCSD, October 23, 2015

Teaching Staff and Consultation Hours			
Name/Position	Times	Room	Contact Info
Carroll B. Foster (PhD/Lecturer)	MWF 9-10 am	Near CENTER HALL coffee cart	cfoster@ mail.ucsd.edu
Mike Levy	T, 1 ³⁰ - 2 ³⁰	SEQ 208	mjlevy@ ucsd.edu
Zhenting Sun	Th, 9-10 am	ECON 115	zhs004@ ucsd.edu
Brigitte Roth Tran (R)	na	SEQ 237	brothtran@ ucsd.edu

Course Information

- Course Title: FINANCIAL MARKETS [n < 200]
- Lecture: A00 MWF, 8-9 am PEPPER CANYON 106
 - Discussion A01 (845806) F, 3-4 pm [Levy]
 - Discussion A02 (845807) F, 4-5 pm [Sun]
 } PEPPER CANYON 122
- Description: Intro to investment theory; financial markets; risk and return; capital asset pricing models; fundamental analysis; efficient markets; bond yields; term structure of interest rates.
- Prerequisite: Ec 100A; Ec 120B or Math 181B; Math 20F or 31AH

Books and Materials

- Bodie/Kane/Marcus, *Investments* (10th ed.). [Required]
- Notes, problems, and tables at course webpage: ted.ucsd.edu

Some Suggested Reading

- Burton Malkiel, *A Random Walk Down Wall Street*, Norton (1999). The rise of the EMH.
- Justin Fox, *The Myth of the Rational Market*, Harper Collins (2009). The demise of the EMH.
- Taleb, *The Black Swan*, Random House (2007). Everything you know is wrong.
- J. K. Galbraith, *A Tenured Professor*, Mariner Books (1990). A sarcastic novel about short selling.

Course Outline and Reading List -- BKM 10 th		
Top 1	INTRO TO FINANCE & INVESTING	Ch. 1, 3
Top 2	PERSONAL FINANCE & TVM	§5.2
Top 3	FINANCIAL SECURITIES	Ch. 2, 4; §14.1
Top 4	RISK & RETURN	Ch. 5, §6.1 [omit §5.9]
Top 5	MODERN PORTFOLIO THEORY	Ch. 6 - 7 [omit §7.5]
Top 6	CAPITAL ASSET PRICING MODEL	Ch. 8-9
Top 7	STOCK ANALYSIS & THE EMH	Ch. 11; §13.1; §18.1 - 18.4
Top 8	BONDS & INTEREST RATES	Ch. 14 - 15; §16.1

Calendar

- Holidays: Wednesday, 11 NOV (Veterans); Thursday-Friday, 26-27 NOV (Thanksgiving)
- Midterm: Friday, 30 OCT, in class
- Final: Monday, 7 DEC, 8-11 am, in _____

Examinations and Grading

- Midterm = 50 points; cumulative final = 100; no homework.
- Exams are open notes/closed book; calculator required (no laptops).
- If you arrive late to an exam, I will allow you to take the exam in the time that remains *as long as no one has turned in an exam and left the room*. Once a classmate has turned in an exam, you will not be allowed to begin the exam and will get a zero.
- No bathroom breaks during midterms. One person at a time during finals; you will be escorted by a TA, with whom you will leave your exam paper.
- Regrade period for midterm is 1 week after papers first returned in class.
- No rescheduled or make-up exams. You **MUST** take final with the rest of the class on schedule during finals week. Plan your schedule accordingly. I have to give 4 midterms and 3 finals in three classes and will have no flexibility whatsoever.

About Cheating

1. There is a LOT of it! Honest students are put at a disadvantage by cheaters, and I hate that.
2. I routinely give multiple versions of tests. Only the TAs know which version you have.
3. If I suspect a violation of academic integrity, I withhold your score and grade and send your paper to AIC for resolution. AIC will contact you and tell you what to do. Do not try to drop the course. If you are found not guilty, I will reenter your exam score. If you are found guilty, your college will impose penalties, and I give you an F in the course.