



Economics 173A:- Financial Markets - Summer (1) 2011

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Graduate Teaching Fellow: Soojin Jo s1jo@ucsd.edu

Lectures: 9:30-10:50am Monday thru Thursday – Center 212

Materials:

1. INVESTMENTS, 9th, Bodie, Kane, & Marcus.
2. Nordstrom ("JWN") Form 10K (FY 2011). Available online - try *MSNmoney.com*.
3. *LIAR'S POKER*, Michael Lewis.

Course Objective:

This is the first of a three courses and is an introduction to financial accounting (assumes no prior knowledge of investing). Course material is modeled on the ICFA Body of Knowledge required for the CFA charter.

Guidance

The course webpage is an ongoing guide to the course. Students should check it often. It offers links to resources plus lecture slides, spreadsheets, readings, instructions for class-preparation, *Your Scores*, and documents to *print & bring-to-class*.

Professor Willoughby's office hours can be found on his course calendar at:

<http://econ.ucsd.edu/~mwilloug/mwilloughby.html>

Course Deliverables: Grades will be based on:

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|--------------------------------------------------------------|-----------|
| a) Attendance (randomly taken). | 5 points |
| b) Homework – 5 points per assignment | 25 points |
| c) An Equity Analysis & PowerPoint presentation (teams of 3) | 20 points |
| d) Random quizzes – 2.5 points each. | 10 points |
| e) Midterm Exam | 20 points |
| f) Final Exam on July 29 th | 20 points |

Attendance: Attendance will be taken randomly, five times.

Homeworks: Five homework assignments will be given on Wednesdays and will be due at Thursday's lecture.

Equity Analysis Point Presentation: You should form teams of three. I will assign a publicly-traded company to each team. This is a scale-model version of the GIRC. Your score will be a weighted 50/30/20 average of scores determined by myself, the graduate teaching fellow, and your peers. Those teams who present earlier will be awarded a point handicap.

Quizzes: There will be four in-class quizzes on Thursdays, except July 21st. No make-ups.

Midterm exam: There will be one in-class mid-session exam on July 21st.

Final Exam: July 28th.

No late assignments will be accepted.

If you run-into a *true* emergency or a UCSD-sponsored conflict, inform me as soon as possible. Once your conflict has been documented, points for the missed lecture or assignment will adjusted.

Course Schedule – what's "in", what's *not*.

Students are expected to read the first two chapters of the Text immediately.

This is a list of what we won't cover from the Text:

Chapters 3 - 4

Chapter 17

Chapters 11 & 13

Chapters 24 - 27

Week	Topic	Text	References
1	Accounting, Time-value of Money, Intro to the GIRC.	1 (all) 2 (all) 12 (all) and 19 (all)	Nordstrom 10K Videos
2	Fixed Income Markets.	14 (1-3) and 15 (1-4)	Workbooks
3	Equity Markets.	17 (6) and 18 (all)	Workbooks
4	Portfolio Theory.	5 (1-4); 6 (1-5); 7 (1-4); 9 (1-3)	Presentations on Thursday
5	Options.	20 (1-6) and 21 (1)	Presentations on Tuesday, Wednesday, Thursday

Important Administrative Rule.

I will assign “numbers” – to identify their work for score-recording purposes. Numbers will be assigned in alphabetical order. “Numbers” are not UCSD PID’s. Numbers are required on all assignments. No number, no score, no exceptions.

Grades:

Final grades will be based on a *weighted total score scaled to 100-points* and curved at the following reference points:

- 80.00 points or higher is guaranteed at least an “A-”.
- Only 60 points will be needed to *Pass* the course, i.e. for the lowest C-.
- But less than 50 points will be the threshold for an F.

Academic Integrity

Students are expected to know and comply with the UCSD Code of Academic Integrity. Any infraction will be reported. All violations will be treated, for purposes of the course, equally and will result in an “F” grade for the course. Any behavior that purposefully and unfairly conveys a grading advantage will be considered a breach of ethics and will be referred to the AIC.