

Course Catalog: FIN 124
 Course Title: Equity Analysis
 Department: Department of Finance and Accounting
 School: John Gokongwei School of Management
 School Year: SY 2011-2012
 Semester: First Semester
 Credit: 3 Units [Elective]

A. Course Description & Objective

FIN 124 is a 3-unit course focusing on equity investments. This course orients the students with the investment environment and the proposed theories or models governing equity markets. Finally, this course presents different approaches in performing analysis on these investment instruments.

B. Course Outline & Content

Introduction to Equity Investment and Analysis

Chapter 1-3: Investment Setting, Asset Allocation Decision, and Different Investment Outlets.
 Chapter 4-5: Security Markets and Indices
 Chapter 6: Efficient Capital Markets
 Chapter 8-9: Asset Pricing Models

1st LONG EXAM: July 16, 2011

Fundamental Analysis

Chapter 10-11: Analysis of Financial Statements and Security Valuation
 Chapter 13: Stock Market Analysis
 Chapter 14: Industry Analysis
 Chapter 15: Company Analysis and Stock Valuation

2nd LONG EXAM: August 27, 2011

Quantitative and Technical Analysis

Chapter 16: Technical Analysis
 Quantitative Stock Price Models: Lognormal Price Model
 Random Walk Theory and Monte Carlo Simulation
 Chapter 17: Introduction to Equity Portfolio Management Strategies

STOCK ANALYSIS PROJECT: September 24, 2011

3rd LONG EXAM: October 1, 2011

C. Required Reading

Reilly, Brown. Investment Analysis and Portfolio Management, 8th Edition

D. Supplementary Readings

Beyond the Random Walk: A Guide to Stock Market Anomalies and Low Risk Investing

E. Course Requirements

Three Long Exams	60%	Failure to maintain a Long Exam Average of 1.00 will automatically give you a Final Grade of F .
Stock Analysis Project	20%	
Quizzes/Homeworks/Etc.	20%	
TOTAL	100%	

F. Course Project

In order to demonstrate and apply the theories, methodologies, and approaches learned and discussed in class, the students are required to perform a comprehensive analysis on a chosen stock from the Philippine Stock Market. The students would be graded based on: **80% content and delivery, 20% peer evaluation**

G. Grade Equivalents

Curve for each Long Exam		
92 -100	A	4.00
87 – 91	B+	3.50
82 – 86	B	3.00
76 – 81	C+	2.50
68 – 75	C	2.00
60 – 67	D	1.00
Below 60	F	0

Final Grade Curve
A = 3.76 to 4.00
B+ = 3.31 to 3.75
B = 2.81 to 3.30
C+ = 2.31 to 2.80
C = 1.81 to 2.30
D = 1.00 to 1.80
F = Below 1.00

Each Long Exam is curved and the equivalent letter mark is used to compute your final grade.

H. Classroom Policies

1. Class Attendance

- A total of nine absences for MWF Classes, six absences for TTH Classes and three absences for once a week classes for the entire semester will be allowed. Any student who exceeds this will be given a W.
- A student is marked absent when he/she is not in the classroom 10 minutes after the time.
- Students who arrive late should sit at the back to avoid class disruptions.
- In the absence of any prior announcement from the Department, the class must wait for the teacher for 30 minutes after classes have started. No free cuts shall be deemed given unless this time has passed. Students who leave before this time shall be marked absent.

2. Testing and Grading

- 3 long exams, lasting three hours each, will be administered outside class hours. All of them are close-notes and closed books. No make-up exams will be allowed.
- A **final mark** of F will automatically be given to any student caught cheating in any exam.
- Appeals for rechecking must be accomplished within ONE WEEK AFTER THE RESULTS ARE GIVEN OUT.
- If classes are suspended or cancelled on the date of a scheduled exam or quiz, it is understood the test will be given on the following meeting.
- **Quizzes will be given every meeting.** Students are required to study for the lessons that were taught or assigned readings for discussions.

3. Class Guidelines

- Turn off cellular phones or activate the silent vibration mode to avoid disrupting the class discussion.
- Students are expected to adhere to JGSOM Dress Code.
- Eating, drinking and smoking are not allowed inside the classroom.
- Students are highly encouraged to ask questions and contribute their insights and observations, as long as they are relevant to the subject matter being discussed. Disruptive students will be asked to leave the room.

I. Contact and Consultations

- Regarding consultation, students may get in touch with their respective teachers using the following e-mail addresses: john.harley.chan@gmail.com

Students who wish to individually consult their teachers may arrange an appointment with them or through Mrs. Rosalie Mendoza, the Department Secretary.