

BUSI 61: INVESTMENT FUNDAMENTALS

Foothill College Course Outline of Record

Heading	Value
Units:	3
Hours:	3 lecture per week (36 total per quarter)
Degree & Credit Status:	Degree-Applicable Credit Course
Foothill GE:	Non-GE
Transferable:	CSU
Grade Type:	Letter Grade (Request for Pass/No Pass)
Repeatability:	Not Repeatable

Student Learning Outcomes

- Students will demonstrate an understanding and appropriate use of financial business terms and concepts in the term project.
- Students will critically analyze, evaluate and interpret financial business information for their term projects.
- Students will demonstrate financial business concepts and strategies in their term projects and presentations.

Description

Introduction to securities investment characteristics and rights. Investment vehicles (stock, bonds, derivatives [options]). Markets and exchanges. Stock and bond valuation analyses (fundamental and technical analysis). Portfolio evaluation and stock trading. Personal financial management. After-tax returns.

Course Objectives

The student will be able to:

- Assess the relative investment merits of common stocks, preferreds, corporate bonds, treasury and government agency bonds and notes, municipal bonds, investment trusts, convertibles, listed, unlisted securities, real estate investing trusts.
- Explain the functions and operation of the stock exchanges, brokerage office facilities and services; the analysis of securities values from a fundamental value standpoint, relative market valuation, personal finance, and from the technical standpoint of individual issues and overall market measures.
- Describe many of the pitfalls of different investments and how to mitigate risk.
- Analyze current taxation policies as they relate to financial planning.

Course Content

- Introduction and class orientation
 - Discussion of paper trading
 - Discussion of market history
 - Discussion of reasons for investment
 - Discussion of current economic outlook
 - Directions as to reading and study material
- Discussion of investments
 - Characteristics
 - Rights

- Use in a portfolio
- Investment management, including:
 - Personal financial planning
 - Choice of personal objectives
 - Security characteristics
 - Security selection
 - Portfolio management
- The stock exchanges
 - Types of orders and how handled
 - Margin accounts
 - Short selling and commissions
- The various exchanges and market
 - Mutual funds
 - ETFs
 - Investing
- Financial advising
 - How to choose a competent financial advisor
 - The pros and cons of free advice
 - questions to be asked
 - Conflicts of interest
- Investment data sources, including:
 - Online
 - Periodicals
 - Texts
 - Newsletters
 - Other sources
 - Historical records
- Current investment methods and factors
 - Diversification concepts
 - Capital Asset Pricing Model
 - Option strategies to mitigate risks
 - Option valuations
- Review of course and evaluation, including:
 - Discussion of student's projects, including:
 - Investing simulation
 - Personal Financial Management spreadsheet
 - Financial case studies
 - Business news updates

Lab Content

Not applicable.

Special Facilities and/or Equipment

- When taught via Foothill Global Access, on-going access to computer with email software and hardware; email address.

Method(s) of Evaluation

Methods of Evaluation may include but are not limited to the following:

- Quizzes
- Examinations
- Appraisal analysis project (case studies, Personal Financial Plan)
- Class discussion (business news updates and MyPortfolio simulation) and participation

Method(s) of Instruction

Methods of Instruction may include but are not limited to the following:

- A. Lecture
- B. Discussion
- C. Cooperative learning exercises
- D. Oral presentations
- E. Electronic discussions/chat
- F. Demonstration
- G. Cases
- H. Investment simulations

Representative Text(s) and Other Materials

Jordan and Miller. Fundamentals of Investments. 8th ed. New York, NY: McGraw Hill College, 2018.

Types and/or Examples of Required Reading, Writing, and Outside of Class Assignments

- A. Reading from textbook

- B. Current business news evaluations

- C. Case studies

- D. Student research on companies' business performance

Discipline(s)

Business