



## **Course Syllabus: Investments**

Dillard College of Business Administration

FINC 4733 Section 201

Spring Semester, January 20 – May 16, 2026

### **Contact Information**

Instructor: Adam Y.C. Lei, Ph.D., CFA

Office: Dillard Building 219

Office Hours: Monday, 12:30 pm to 01:30 pm, Tuesday, 01:00 pm to 02:00 pm, Wednesday, 12:30 pm to 01:30 pm, and by appointment

Office Phone: (940) 397-4403

Email: [adam.lei@msutexas.edu](mailto:adam.lei@msutexas.edu)

### **Class Hours**

Monday and Wednesday, 11:00 am to 12:20 pm, Dillard Building 121

### **Course Description**

Characteristics and valuation of investment instruments including common stocks, bonds, and options; function and efficiency of securities markets; diversification and portfolio theory.

### **Course Prerequisites**

Junior standing or above or consent of the chair; BUAD 3033 and FINC 3733. Must earn a C or higher in FINC 3733.

### **Textbook & Instructional Materials**

#### **Required:**

- 1) Lecture Notes (PowerPoint slides; available through D2L), and
- 2) Essentials of Investments, 2024 Release, by Zvi Bodie, Alex Kane, and Alan Marcus, McGraw-Hill/Irwin. ISBN: 978-1265062002. [Web Link](#) for students choosing the eBook option (only the textbook is required; we do not need the publisher's Connect access).

Recommended:

The Wall Street Journal.

### **Other Requirements**

Each student should have a calculator capable of calculating the time value of money (a financial or scientific calculator will do) in class. A student is expected to be familiar with the functions of their own calculator.

### **Desire-to-Learn (D2L)**

Extensive use of the Midwestern State University (MSU) D2L program is a part of this course. Each student is expected to be familiar with this program as it provides a primary source of communication regarding assignments, examination materials, and general course information. You can log into [D2L](#) through the MSU Homepage. If you experience technical difficulties, please contact the [MSU Distance Education Office](#).

### **Course Objective**

General Learning Goals:

Upon successful completion of this course, students should:

- 1) Demonstrate problem solving and decision making abilities through the critical analysis, evaluation, and interpretation of business information.
- 2) Demonstrate a competency in speaking and writing for common business scenarios.
- 3) Understand issues that are related to globalization and international business activities.

Course Specific Learning Goals:

Upon successful completion of this course, students should have developed the understanding of:

- 1) The investment environment in the United States.
- 2) The characteristics and valuation of securities including stocks, bonds and options.
- 3) Asset pricing theories.
- 4) The efficiency of securities markets and its implications.
- 5) Theory and practice of portfolio management.

## Grading and Evaluation

### Course Grading:

*Table 1: Grade Components and Associated Percentage Grades*

| <b>Component</b>                       | <b>Percentage</b> |
|--|-------------------|
| Self-Introduction Video                | 1%                |
| Homework Assignments                   | 9%                |
| Midterm Exam I                         | 28%               |
| Midterm Exam II                        | 28%               |
| Final Exam                             | 28%               |
| Participation                          | 6%                |
| Total                                  | <u>100%</u>       |
| Bonus: Bloomberg Market Concepts (BMC) | 2%                |

*Table 2: Numerical Grade to Letter Grade Conversion*

| <b>Numerical Grade</b> | <b>Meaning</b> | <b>Letter Grade</b> |
|------------------------|----------------|---------------------|
| 90 to 100              | Excellent      | A                   |
| 80 to 90               | Good           | B                   |
| 70 to 80               | Satisfactory   | C                   |
| 60 to 70               | Passing        | D                   |
| Below 60               | Failing        | F                   |

All grades are firm and nonnegotiable. There is no rounding in grades, and there are no bonus points or extra credits other than the specified grade components at the end of semester. To maintain the fairness to the entire class, the same grading criteria will be applied to every student, and no personal reason will be considered for grading purposes. No grade will be disclosed by email or by phone.

### Self-Introduction Video:

Each student in this course is required to prepare a self-introduction video, and submit the one single video file through the Dropbox in D2L (to the folder "Self-Introduction Video" under the "Assessments" and then "Assignments" tabs in D2L). In the video, a student should show their full face under proper lighting, state their full name and major(s), and make an introduction of oneself. The video should be no less than 10 seconds but no more than 30 seconds in length. The self-introduction video is worth one point toward the semester grade, and only videos meeting all of the requirements will earn the full point. Students who cannot meet all of the requirements because of religious or medical reasons should submit a one-page typed and signed statement requesting an exemption of the requirements to the instructor before the video due date specified below.

The approval of the request depends on whether the submitted statement provides the necessary and sufficient information justifying the exemption.

The video is due at **04:30 pm U.S. central time on January 24, 2026 (Saturday)**. Students can submit the video file as soon as the semester begins, and no late submission will be accepted for any reason. \*Students contacting the instructor in attempts to make a late submission of the self-introduction video will lose one point in the participation grade.

**Homework Assignments:**

On the last page of the provided PowerPoint slides for each covered chapter, there are the assigned end-of-chapter problems from the textbook that students should practice on. Among the assigned problems, some, but not all, are also designated as homework assignments (e.g., problems 13, 15, 19a, and 20 in Chapter 2; as shown on the last page of the chapter PowerPoint slides). The homework assignments require students to turn in their step-by-step handwritten solutions for the homework assignment problems for each chapter with the homework assignment through the Dropbox in D2L. Of the 12 covered chapters, Chapter 1, Chapter 6, and Chapter 8 do not have the homework assignment problems (i.e., those chapters only have the assigned end-of-chapter problems that are not designated as homework assignments, and their solutions do not need to be turned in). The assignment is worth one point toward the semester grade for each of the remaining 9 chapters, and 9 points in total.

The submission of the homework assignment for each chapter should be in one single PDF file consisting of photos or scanned images of the step-by-step handwritten solutions (the single PDF file could have multiple pages in it). In a submitted file, the solutions to the assigned problems should be labeled and ordered by their original problem numbers, oriented correctly, and the final answer(s) to each problem should be circled or highlighted. A submission made in a file format other than PDF or in multiple files will not be accepted by D2L, will not be graded, and will have an assignment grade of zero. A submission with solutions illegible, mislabeled, misordered, incorrectly oriented, or without all the final answers circled or highlighted will not be graded and will have an assignment grade of zero. Additionally, please make sure that each of the uploaded files is not exceedingly large in size (by adjusting the photo or scan settings). No email submission of the assignments will be accepted for any reason. \*Students emailing the assignments to the instructor will lose one point in the participation grade each time such instance occurs.

In the submission, there is no need to write the calculator keys, e.g.,  $N=?$  and  $I=?$ , and the calculator keys alone without the corresponding steps/equations are insufficient for the solutions. By default, students turning in the assignment for a chapter will earn the points associated with the chapter. Assignments that contain insufficient details or skip assigned problems will lose the associated points entirely. If two or more students submitted the same handwritten solutions for the same assignment, all involved parties will lose the associated points entirely. An assignment that is not handwritten will lose the associated points entirely unless the student provides documentation/justification from the Disability Support Services Office in advance.

The assignments are due at **04:30 pm U.S. central time the day before the corresponding Exam**. For instance, the assignments for Chapter 2, Chapter 3, Chapter 4, and Chapter 5 are due at **04:30 pm on February 24, 2026 (Tuesday) before the scheduled Exam I on February 25, 2026 (Wednesday)** (please see the end of this syllabus for the assignment due dates). Students can submit an assignment as soon as the corresponding coverage becomes available, and no late assignment will be accepted for any reason. \*Students contacting the instructor in attempts to submit a late assignment will lose one point in the participation grade each time such instance occurs.

This course does not provide answer keys to the assigned end-of-chapter problems. To help students become artificial intelligence (AI) literate, this course encourages students to experiment with AI models, such as ChatGPT or alike, on learning conceptual issues and to solve numerical problems step by step.

#### Exams:

There will be two midterm exams and one final exam during this semester in the assigned classroom. The exams are non-comprehensive, but often the coverage of a later chapter would require the knowledge from earlier chapters. The midterm exams will be held during the regular class hours. The final exam will be held by the university schedule (please see the end of this syllabus for the exam dates). The exams will include questions on any covered material, e.g., lecture notes, classroom discussions, and reading assignments. Each student will need a calculator and ScanTron for the exams. The use of cell phones and any form of sharing is not allowed during the exams.

The exams must be taken as scheduled, and no student is exempt from any exam. There is no make-up exam in this course after the fact, and students

missing an exam at the scheduled time without prior consent from the instructor will receive an exam grade of zero for the specific exam. Students with valid excuses or authorized absences due to required participation in university-sponsored activities (please see Midwestern State University Undergraduate Catalog for the definition) should make prior arrangements with the instructor to take the exam at an alternative time. A valid excuse for exam purposes is defined as an unforeseeable, proved, and documented event that requires the student's presence in a place other than the classroom during the exam time, and such event is deemed acceptable by the instructor. Misreading, forgetting, or inattention to the exam dates and time specified in the syllabus will not be considered a valid excuse for a missed exam. No illness-related excuses will be accepted unless a student has a doctor's note or is a hospital inpatient during the scheduled exam time. In the case of a valid excuse, the instructor must be notified of the excuse before the scheduled exam time and the document justifying the excuse must be turned to the instructor within one week from the exam. A student failing to notify the instructor the excuse before the scheduled exam time or not providing the document justifying the excuse in time will receive an exam grade of zero for the specific exam.

*Participation:*

A student's grade on class participation depends on four factors: 1) Attendance, 2) Performance on raising and answering questions in class, 3) Obedience of class rules and instructions, and 4) Grades on random assignments. There is no guarantee that a student attending every class will automatically receive the full credit on class participation. In addition, a student loses one point in the participation grade for each attempted violation of class rules and instructions. It is a student's responsibility to know the class rules and instructions.

*Class Attendance, Midwestern State University Undergraduate Catalog  
Students are expected to attend all meetings of the classes in which they are enrolled. Although in general students are graded on intellectual effort and performance rather than attendance, absences may lower the student's grade where class attendance and class participation are deemed essential by the faculty member. In those classes where attendance is considered as part of the grade, the instructor should so inform students of the specifics in writing at the beginning of the semester in a syllabus or separate attendance policy statement. An instructor who has an attendance policy must keep records on a daily basis. The instructor must give the student a verbal or written warning prior to being dropped from the class. An instructor's records will stand as evidence of absences. A student with excessive absences may be dropped from a course by the instructor. Any individual*

*faculty member or college has the authority to establish an attendance policy, providing the policy is in accordance with the General University Policies.*

For the record keeping purpose, each class period a roll sheet will be passed through the class and each student will need to sign on the roll sheet.

Signing any other student's name on the roll sheet is considered as an act of disruptive conduct in this course. Inconsistent signature styles on the roll sheet will be deemed as evidence against a student's attendance.

*Instructor Drop, Midwestern State University Undergraduate Catalog*  
*An instructor may drop a student any time during the semester for excessive absences, for consistently failing to meet class assignments, for an indifferent attitude, or for disruptive conduct. The instructor must give the student a verbal or written warning prior to dropping the student from the class. An instructor's drop of a student takes precedence over the student-initiated course drop of a later date. The instructor will assign a grade of either WF or F through the first 9 weeks of a long semester, the first 4 1/2 weeks of an 8 week part-of-term, the first 6 weeks of a 10 week summer term, or the 12th class day of a 4 or 5 week summer term consisting of 20 days. After these periods the grade will be an F. The date the instructor drop form is received in the Office of the Registrar is the official drop date. A student dropped from a class by a faculty member for disruptive behavior has the right of appeal to the Student Conduct Committee through the Office of Student Rights and Responsibilities (CSC 108).*

Students who miss more than one third of the class periods without valid excuses will be dropped from this course with a failing semester grade. A valid excuse for participation purposes is defined as an authorized absence due to required participation in university-sponsored activities (please see Midwestern State University Undergraduate Catalog for the definition), or an unforeseeable, proved, and documented event that requires the student's presence in a place other than the classroom during the class period, and such event is deemed acceptable by the instructor. In the case of an excused absence, the instructor must be notified of the excuse and the document justifying the absence must be turned to the instructor, both within one week from the absence.

Students who fail to meet class assignments, show indifferent attitudes, or commit disruptive conduct will be given warnings through their official MSU email accounts each time such instance occurs. Students with more than two warnings will be dropped from this course with a failing semester grade.

**Bonus: Bloomberg Market Concepts (BMC):**

The Bloomberg Market Concepts (BMC) is a library of e-learning course sections that provides an introduction to the financial markets. The three required BMC course sections for the bonus credit are: Core Concepts (includes four modules – Economic Indicators, Currencies, Fixed Income, Equities), Terminal Basics, and Portfolio Management. These sections are approximately 16-hour long in total and are available through the Bloomberg terminal at BCER <GO>. For further information, please refer to the documents related to BMC, available on D2L under the content module "Course Information."

Students who intend to secure the bonus credit should register for the Bloomberg course using their official school email addresses and the class code "**MG9XW7YVBF**" without the quotation marks (at no cost through the Bloomberg terminal by using the Bloomberg function <BCER>). Students who register without using the class code will not receive the bonus credit. The sections can then be completed over time through the Bloomberg terminal by using the same <BCER> function to enter into the course. Once all the modules are completed, a certificate of completion will be available for download. Only students who register with the class code and email the certificate of completion to the instructor before **the beginning of class on May 4, 2026 (Monday)** will receive the bonus credit.

**Other Course Policies**

- 1) Please bring a calculator to class.
- 2) It is obviously in a student's best interests to attend class regularly.
- 3) Students are expected to read the class material before and after the scheduled classes.
- 4) Announcements not made in class will be posted online through D2L. Students have the responsibility to check the postings and class material regularly.
- 5) Students who need to leave the classroom early and will not be back for that class period should notify the instructor before the class starts. Arriving late and leaving early without prior instructor acknowledgement are considered as acts of disruptive conduct in this course.
- 6) Video, audio, and image recording other than taking handwritten or typed notes in the classroom is not allowed without the prior consent of the instructor. Redistribution of any course material provided by the instructor in any form outside this class constitutes copyright infringement and is prohibited.

### **Inclement Weather Policy**

This course follows the University's decision on campus closure due to inclement weather. Changes in scheduled course content and activities due to inclement weather, if any, will be announced on D2L. Students have the responsibility to check the D2L postings during such weather events.

### **Academic Integrity**

Students shall follow the "Student Honor Creed" in the Midwestern State University Student Handbook. A student who commits academic dishonesty is subject to academic sanctions (please refer to the Midwestern State University Student Handbook for the definitions of Academic Dishonesty and the Academic Dishonesty Procedure).

### **Services for Students with Disabilities**

In accordance with Section 504 of the Federal Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, Midwestern State University endeavors to make reasonable accommodations to ensure equal opportunity for qualified persons with disabilities to participate in all educational, social, and recreational programs and activities. After notification of acceptance, students requiring accommodations should make application for such assistance through Disability Support Services, located in the Student Wellness Center, (940) 397-4140. Current documentation of a disability will be required in order to provide appropriate services, and each request will be individually reviewed. For more details, please go to [Disability Support Services](#).

This course follows the University policies and guidelines suggested by the Disability Support Services Office for qualified students. Students are referred to the Midwestern State University Undergraduate Catalog for details.

### **Change of Schedule and Refund/Repayment Policy**

A student dropping a course (but not withdrawing from the University) within the first 12 class days of a regular semester or the first four class days of a summer semester is eligible for a 100% refund of applicable tuition and fees. Dates are published in the [Schedule of Classes](#) each semester.

A student who withdraws or is administratively withdrawn from the University may be eligible to receive a refund for all or a portion of the tuition, fees and room/board charges that were paid to MSU for the semester. However, if the student received financial aid

(federal/state/institutional grants, loans and/or scholarships), all or a portion of the refund may be returned to the financial aid programs.

## **University Policies**

### *Smoking/Tobacco Policy*

Midwestern State University seeks to provide a safe, healthy, pleasant environment for its faculty, staff, and students. To this end, the use of tobacco products, including smoke and smokeless tobacco, and the advertising, sale, free distribution, and discarding of tobacco products shall be prohibited in all indoor and outdoor facilities and in all university vehicles. The policy extends to faculty, staff, students, vendors, guests, and visitors.

### *Alcohol and Drug Policy*

To comply with the Drug Free Schools and Communities Act of 1989 and subsequent amendments, students and employees of Midwestern State University are informed that strictly enforced policies are in place which prohibits the unlawful possession, use or distribution of any illicit drugs, including alcohol, on university property or as part of any university-sponsored activity. Students and employees are also subject to all applicable legal sanctions under local, state and federal law for any offenses involving illicit drugs on university property or at university-sponsored activities.

### *Campus Carry*

Effective August 1, 2016, the Texas Campus Carry law (Senate Bill 11) allows those licensed individuals to carry a concealed handgun in buildings on public university campuses, except in locations the University establishes has prohibited. The new Constitutional Carry law does not change this process. Concealed carry still requires a License to Carry permit, and openly carrying handguns is not allowed on college campuses. For more information, please visit the University's [Campus Carry webpage](#) and refer to the [Campus Carry Rules and Policies](#).

### *Active Shooter*

The safety and security of our campus is the responsibility of everyone in our community. Each of us has an obligation to be prepared to appropriately respond to threats to our campus, such as an active aggressor. Please review the information provided by the MSU Police Department regarding the options and strategies we can all use to stay safe during difficult situations. For more information, please visit the University's [MSUReady – Active Shooter webpage](#). Students are encouraged to watch the video

entitled "Run. Hide. Fight.," available at the University's [Police Department webpage](#) and on [Youtube](#).

### **Syllabus Change Policy**

This syllabus is a guide for this course and is subject to change with advanced notice.

### **References**

Midwestern State University [Student Handbook Web Link](#)

Midwestern State University [Undergraduate Catalog Web Link](#)

### **Course Content and Outline**

#### *Elements of Investments*

Chapter 1: Investments: Background and Issues

Chapter 2: Asset Classes and Financial Instruments

Chapter 3: Securities Markets

Chapter 4: Mutual Funds and Other Investment Companies

#### *Portfolio Theory*

Chapter 5: Risk, Return, and the Historical Record

Chapter 6: Efficient Diversification

Chapter 7: Capital Asset Pricing and Arbitrage Pricing Theory

Chapter 8: The Efficient Market Hypothesis

#### *Debt Securities*

Chapter 10: Bond Prices and Yields

Chapter 11: Managing Bond Portfolios

#### *Derivative Markets*

Chapter 15: Options Markets

Chapter 16: Option Valuation

## Course Schedule

*Table 3: Course Dates and Scheduled Content/Activities*

| <b>Month</b> | <b>Date</b> | <b>Schedule</b>             | <b>Date</b> | <b>Schedule</b>     |
|--------------|-------------|-----------------------------|-------------|---------------------|
| 1            | <b>19</b>   | <b>MLK Day</b>              | 21          | Introduction        |
| 1            | 26          | Concepts Review & Chapter 1 | 28          | Chapter 1 & 2       |
| 2            | 2           | Chapter 2                   | 4           | Chapter 2 & 3       |
| 2            | 9           | Chapter 3                   | 11          | Chapter 3 & 4       |
| 2            | 16          | Chapter 4 & 5               | 18          | Chapter 5           |
| 2            | 23          | TBA                         | <b>25</b>   | <b>Exam I</b>       |
| 3            | 2           | Chapter 6                   | 4           | Chapter 6           |
| 3            | <b>9</b>    | <b>Spring Break</b>         | <b>11</b>   | <b>Spring Break</b> |
| 3            | 16          | Chapter 6 & 7               | 18          | Chapter 7           |
| 3            | 23          | Chapter 8                   | 25          | Chapter 8 & 10      |
| 3/4          | 30          | Chapter 10                  | 1           | Chapter 10          |
| 4            | 6           | TBA                         | <b>8</b>    | <b>Exam II</b>      |
| 4            | 13          | Chapter 11                  | 15          | Chapter 11          |
| 4            | 20          | Chapter 15                  | 22          | Chapter 15          |
| 4            | 27          | Chapter 15 & 16             | 29          | Chapter 16          |
| 5            | <b>4</b>    | <b>Chapter 16 (BMC due)</b> | 6           | TBA                 |

### Due Dates

Self-Introduction Video: January 24 (Saturday), 04:30 pm  
 Bloomberg Market Concepts (BMC): May 4 (Monday), 11:00 am

### Homework Due Dates

Homework for Exam I Coverage: February 24 (Tuesday), 04:30 pm  
 Homework for Exam II Coverage: April 7 (Tuesday), 04:30 pm  
 Homework for Final Exam Coverage: May 10 (Sunday), 04:30 pm

### Exam Dates

Exam I: February 25 (Wednesday)  
 Exam II: April 8 (Wednesday)  
 Final Exam: May 11 (Monday), 10:30 am to 12:30 pm