Prerequisites

MBA 6631.

Description

An introductory investments course which identifies and analyzes various forms of investments (such as corporate bonds, common stock, preferred stock) and government securities (such as bonds, notes and bills). The course also includes discussion of the securities market, brokerage functions, and stock exchanges. Particular emphasis is placed on the selection of securities based on the degree of risk and expected rate of return. Prerequisite: MBA 6631.

Objectives

On completion of the course, the student should be able to:

1. Measure and analyze the relationship between risk and return.
2. Compute and discuss the risk and return concepts from the perspective of an individual asset and a portfolio.
3. Analyze portfolios using several multifactor models.
4. Use differing theories of valuation and relative valuation techniques.
5. Analyze the market, industry, and company.
6. Understand and value bonds, to include portfolios, duration, convexity and efficiency.
8. Utilize options, including Black-Scholes, binomial, and put-call parity, to develop trading strategies.
9. Discuss the impact of swaps, convertibles, and embedded derivatives.

Purpose

To provide a survey of investment concepts needed in the MBA program. MBA unspecified elective (non-Accounting).

Approved Texts


**Supplements**