



Western Technical College

## 10114177 Investment Principles

### Course Outcome Summary

#### Course Information

<b>Description</b>	This course makes students aware of the various investments available. Topics include common and preferred stock, corporate and government bonds, derivatives, mutual funds, real estate, retirement investment vehicles, and portfolio management. Students create an investment portfolio and present their recommendations to the class.
<b>Career Cluster</b>	Finance
<b>Instructional Level</b>	Associate Degree Courses
<b>Total Credits</b>	3
<b>Total Hours</b>	54

#### Textbooks

*Investments*. 13th Edition. Copyright 2021. Mayo, Herbert B. Publisher: Cengage Learning. **ISBN-13:** 978-0-357-12795-7. Required.

#### Success Abilities

1. Cultivate Passion: Enhance Personal Connections
2. Cultivate Passion: Expand a Growth-Mindset
3. Cultivate Passion: Increase Self-Awareness
4. Live Responsibly: Develop Resilience
5. Live Responsibly: Foster Accountability
6. Refine Professionalism: Act Ethically
7. Refine Professionalism: Improve Critical Thinking
8. Refine Professionalism: Participate Collaboratively
9. Refine Professionalism: Practice Effective Communication

#### Program Outcomes

1. Analyze financial statements.
2. Analyze investments.
3. Develop short and long term personal goals.
4. Apply financial laws and regulations.
5. Demonstrate an understanding of the role of financial institutions.
6. Create and analyze budgets.
7. Recognize the interconnectedness of the global economy.

## **Course Competencies**

### **1. Be aware of the role and scope of investments.**

#### **Learning Objectives**

- 1.a. List the various investment vehicles
- 1.b. Create an investment plan

### **2. Explain investment markets and transactions.**

#### **Learning Objectives**

- 2.a. Describe the globalization of securities markets
- 2.b. List the types of securities transactions
- 2.c. Explain the various market averages and indexes

### **3. Describe online investing.**

#### **Learning Objectives**

- 3.a. Locate the sources of online investment information
- 3.b. Explain the various securities transactions

### **4. Explain investment return and risk.**

#### **Learning Objectives**

- 4.a. Measure investment return
- 4.b. Determine your personal risk tolerance.
- 4.c. Determine investment risk

### **5. Summarize modern portfolio concepts.**

#### **Learning Objectives**

- 5.a. Explain the capital asset pricing model
- 5.b. Compare the traditional versus modern investment portfolio concepts
- 5.c. Construct a portfolio using asset allocation

### **6. Explain common stock investments.**

#### **Learning Objectives**

- 6.a. List the basic characteristics of common stock
- 6.b. Describe stock dividends
- 6.c. List the types of stocks available

### **7. Analyze the various dimensions of stock selection.**

#### **Learning Objectives**

- 7.a. Analyze individual securities
- 7.b. Analyze the economic environment
- 7.c. Analyze the industry environment
- 7.d. Analyze the fundamentals of stock selection

### **8. Relate stock valuation to investment decisions.**

#### **Learning Objectives**

- 8.a. Identify the various stock valuation models
- 8.b. Conduct a technical analysis of stocks
- 8.c. Explain random walk and efficient market theories

**9. Describe bond investments.**

**Learning Objectives**

- 9.a. Describe the essential features of a bond
- 9.b. Describe the debt securities market
- 9.c. Explain the bond trading process

**10. Analyze bond valuation**

**Learning Objectives**

- 10.a. Explain the behavior of market interest rates
- 10.b. Describe how bonds are priced
- 10.c. Define duration and immunization

**11. Explain preferred stocks and convertible securities.**

**Learning Objectives**

- 11.a. Determine the value of preferred stock for investment purposes
- 11.b. Describe convertible securities

**12. Describe options including puts, calls and warrants.**

**Learning Objectives**

- 12.a. Explain options pricing and trading
- 12.b. Describe stock-index and other types of options
- 12.c. Describe warrants

**13. Define commodities and financial futures.**

**Learning Objectives**

- 13.a. Describe the futures market
- 13.b. Explain financial futures

**14. Investigate the various mutual funds.**

**Learning Objectives**

- 14.a. List the types of funds and services available
- 14.b. Describe the process of investing in mutual funds

**15. Administer an investment portfolio.**

**Learning Objectives**

- 15.a. Evaluate the performance of an investment portfolio
- 15.b. Describe the timing of investment transactions