Syllabus for Finance 650
Seminar in Money & Capital Markets
Call# 03255, Spring 2009

Professor: Bolong Cao
Office: Bentley Annex 331
Office hours: Mon/Wed 10:30 a.m. – 11:30 a.m. or by appointment.
E-mail: on Blackboard

Text Materials:
   a. Finance 650 Course packet by Bolong Cao (available at Grade-A-Notes)
   b. Global Investments (6th ed.) by Bruno Solnik and Dennis McLeavey
   c. Investing in Commodities by Ronald G. Layard-Lisesching from Global Perspectives on Investment Management, edited by Rodney N. Sullivan
   d. Fixed Income Analysis (2nd ed.) by Frank Fabozzi

Course website: on Blackboard. It is your responsibility to check the class blackboard site every day for new updates and homework. Email inquiries about the course will be answered through announcements but not individually. Only emails about your own problems will be answered individually.

Classes meet on MW, 4:10 p.m. - 6:00 p.m. in Bentley Hall 023

Learning Outcomes of the Course: After studying this course, the students should be able to explain impact of monetary policy in the financial market and on the economy using modern monetary economics, explain the risk and return features of alternative investment vehicles and fixed income investment vehicles and perform investment analysis on these vehicles.

Course Organization:
   I. Monetary Economics and Alternative Investments (a, b (Chapter 8) and c)
      Midterm: Wed. Apr. 29, 2009, in class
   II. Fixed Income Analysis: d. Chapters 1-8
      Final Exam: Tue. Jun. 9, 2009, in Classroom
         Time: 12:20 p.m. – 2:20 p.m.
         (The exam date and time are assigned by the University.)

Course Grade:
The final exam will be comprehensive but will have greater emphasis on the new materials after the previous exams. The weight of the homework and exams for the course grade is as follows:

   Homework  20%    Midterm  40%    Final Exam  40%

You are expected to take both the midterm and the final exam. The table below shows the curve on the course total grade.

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<th>Grade</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>A – A-</td>
<td>≥ 90</td>
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<tr>
<td>B±</td>
<td>[80, 90)</td>
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<tr>
<td>C±</td>
<td>[70, 80)</td>
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<tr>
<td>D±</td>
<td>[60, 70)</td>
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<tr>
<td>F</td>
<td>&lt; 60</td>
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If you get sick on the day of an exam, please make sure that you see your doctor and get a written doctor’s statement indicates that you were unable to take the exam. Without such a statement, I will have to assign you a zero for the missed exam. If you have other personal reasons why you were unable to take the exam, please provide documentation for those.

Homeworks
Homeworks will be assigned on Blackboard. Solutions will be provided after each assignment is due. You are encouraged to discuss the assignments with other students.

Lecture notes
The lectures contain mainly hand-written notes. You are encouraged to take notes in class. You will need to come to class to get hand-written lecture notes. If you miss a class for any reason, you will need to get the notes from someone else in the class.

Attendance Policy
Attending the lectures is required. Although attendance will not be formally recorded, in-class opportunities to earn bonus points will be provided. Students not present in class on a day in which such an opportunity is offered will not be allowed to make up missed bonus points. Absence from the class is allowed with formal documentation for reasonable causes according to university policy.

Exam policy:
• Exams are closed-note and closed-book tests.
• You will be provided with paper and do not need to bring bluebooks.
• The final exam date is chosen by the university scheduling office and cannot be rescheduled except for changes made by the university.
• Alternative exam dates are possible on rare circumstances and should be scheduled in advance for at least a week. The dates are usually before the official exam dates.
• Regrading requests must be submitted in with a written explanation in required format for why you believe the grading was incorrect. The deadline for regrading requests is one week after the exam was returned. Only exams written in pen (not in pencil!) are acceptable for regrading. 
  The format for the written explanation is: first, explain the answer key step by step; second, explain the difference between your answer and the answer key; third, argue why you deserve a different grade.