

Nkrumah International Academy

Investment Fundamentals

COURSE DESCRIPTION

This course includes a study of investing in general and stock market fundamentals in particular. The course will enable the students to understand different investment choices, how the stock market works, fundamental analysis, basic technical analysis and trading.

Students will analyze and use data to gain knowledge and understanding. Analytical techniques and communication skills will be emphasized, including: looking up a ticker symbol; understanding a stock quote page; risk and diversification; and market indexes. Stock Exchanges and basic stock market terms will be discussed.

LENGTH OF COURSE 11 lessons, one per week

TEXTBOOK

See attached reading material on page 9.

COURSE OBJECTIVES

Incorporating Lecture discussions, case analysis and case presentations will allow the students to:

1. Develop understanding of how the stock market works and identifying the various stock exchanges globally.
2. Develop understanding of the primary investment objectives: safety, returns and liquidity.
3. Develop understanding of investment options such as stocks, bonds, options and their associated risks.
4. Assess the effectiveness of buying and selling strategies.
5. Assess financial information to evaluate the performance of the corporation.
6. Compare, calculate and determine causes of security price movements.
7. Develop and recommend trading strategies including buy and hold, speculation and arbitrage.

COURSE OUTLINE

Lecture	Topic
1	Introduction
2	Investment Choices
	Lecture Topics: <ul style="list-style-type: none"> • Financial Literacy & Education • Savings & Investment • Risk and Return • Definition of Interest • Capital Market • Regulatory Agencies • Securities Fraud
	Lecture Topics: <ul style="list-style-type: none"> • Banking, CDs, Money Markets • Stocks and Mutual Funds • Corporate Bonds, Treasuries and Municipal Bonds • Foreign Exchange and Currency • Real Estate and precious metals • Derivatives (Options and Futures)
3	How the Stock Market Works
	Lecture Topics: <ul style="list-style-type: none"> • Stock Exchanges • IPOs and secondary market • Market Indices • Market timing • Risk Management
4	Stock Market Terminology
	Lecture Topics: <ul style="list-style-type: none"> • Stock Market Terminology • Brokers, Fees and Accounts • Ticker Symbols • Stock Quotes • Order Types • Buying on Margin • Short Selling
5	Building a Portfolio
	Lecture Topics: <ul style="list-style-type: none"> • Risk and Diversification • Stock Screening

	<ul style="list-style-type: none"> • Popular Analysts and websites
6	Fundamental Analysis
	Lecture Topics: <ul style="list-style-type: none"> • What is Fundamental Analysis • Financial Statements • Management • Earnings Projections
7	Technical Analysis
	Lecture Topics: <ul style="list-style-type: none"> • Definition of Technical Analysis • Fundamental vs. Technical Analysis • Economic Analysis • Charting
8	Investment Strategies
	Lecture Topics: <ul style="list-style-type: none"> • Growth and Income Investing • Earnings per share and Annual earnings • Institutional Sponsorship • Market Direction
9	Trading Strategies
	Lecture Topics: <ul style="list-style-type: none"> • Day Trading • Penny Stocks • Buy and Hold • Insider Trading • Investor sentiment • Arbitrage • Market Timing
10	Introduction to Derivatives
	Lecture Topics: <ul style="list-style-type: none"> • What are Derivatives • What are Options • Call and Put Options

	<ul style="list-style-type: none"> • Option Pricing • What are Futures • What are Forwards
11	Guide to Success
	Lecture Topics: <ul style="list-style-type: none"> • Before Investing • Consider your goals • Determine Your Risk Tolerance • Developing your investing strategy
	Final Quiz

SUGGESTED GRADE COMPUTATION GUIDELINE

Quizzes	30%
Homework	30%
Activities	20%
Participation	20%

ADDITIONAL COURSE GUIDLINES

It is expected that the student will be in attendance and participate in every Lecture. It is strongly encouraged that each activity be completed using Word and/or Excel and presented in an acceptable business format. **ALL REQUIRED READING MUST BE COMPLETED BEFORE THE SUBJECT LECTURE.**

**NKRUMAH INTERNATIONAL ACADEMY
DETAIL COURSE CONTENT**

NOTE: Assignments and due dates may be changed by the professor during the term.

Lecture Date(s)	Lecture	READING	ACTIVITY & HOMEWORK	Due Date
9/12/16	1	Introduction		

		Lecture Topics: <ul style="list-style-type: none"> Financial Literacy & Education Savings & Investment Risk and Return Definition of Interest Capital Market Regulatory Agencies Securities Fraud 	ACT # 1	Stock market IQ Quiz	9/12/16
			HW	Compound Interest	9/19/16
			HW	Rule of 72	9/19/16
		Readings: SMJ – pgs. 5 – 21; 1ST -pg-7 7ST – pgs. 5 – 7; BEG -pgs. 2 - 10 BFIN – pgs. 1 – 20; SIS – pgs. 4 - 15 STKB - pg-5			
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9/19/16	2	Investment Choices			
		Lecture Topics: <ul style="list-style-type: none"> CD's, Money Markets Stocks (Equities) Indices (Indexes) Mutual Funds Bonds Derivatives Other investments 	HW	Report on previous day's index for DJ, Nasdaq & S & P 500 (distribute portfolio tracking spreadsheet)	9/26/16
		Readings: BFIN pgs. 4 – 9; INDX pgs. 1 - 9 STKB pgs. 1 – 7; MOD5 pgs. 11, 12,18-35 1ST pgs. 9 – 16; FBM pgs. 4 - 5 BEG pgs. 11 – 12; OPB pgs. 1 - 4 IFD pgs. 9 -19; 45 -53 COMI pgs. 1-5	HW	Pick 5 stocks to track, what index they track to, reason for selection	9/26/16
9/26/16	3	How Stock Market Works			
		Lecture Topics: <ul style="list-style-type: none"> Stock Exchanges Market Indices (Indexes) Primary and Secondary Markets Risk Management 	ACT # 2	Risk Tolerance Assessment	9/26/16
		Readings: STKB pgs. 6 – 7 M&S pg-9	ACT # 3	Group Exercise – Supply and Demand	9/26/16

		IFD pgs. 23-43; 69-77; 82 -107	HW		
10/03/1666	4	Stock Market Terminology			
6		Lecture Topics: <ul style="list-style-type: none"> • Stock Market Terminology • Brokers, Fees and Accounts • Stock Quotes • Order types • Buying on Margin • Short Selling 		Quiz 1 Lectures 1, 2, 3	10/03/16
		Readings: STKS pgs. 19; IFD pgs. 187-194 SMJ pgs. 42-44; T101 pgs. 1-3; STKB pgs. 9-13 MOD5 pgs. 14-17; STCD pgs. 1-8	HW	Pgs. 65-68 from Learning from Market handout	10/10/16
10/10/16	5	Building a Portfolio			
		Lecture Topics: <ul style="list-style-type: none"> • What is a Portfolio • Classification of Stocks • Stock Screening • Risk and Return • Valuation of Stocks • Financial websites 			
		Readings: STKB pgs. 4 – 5; 9-12 STKS pgs. 1-11; PER pgs. 1-5 FAI pgs. 1-25; IFD pgs. 157-170; 23-43; 364-367; 381-386	HW	Pgs. 161, 169, 170 from Learning from Market handout	10/17/16
10/17/16	6	Fundamental Analysis			
		Lecture Topics: <ul style="list-style-type: none"> • What is Fundamental Analysis • Product and Market • Management • Financial Statements • Earnings Projections 	HW ACT # 4	Tracking report Group Exercise – How to Read an Annual Report	10/17/16 10/17/16
		Readings: IFD pgs. 9-19; 109 -129 FAD pgs. 73-88; 107-121; 267-276; 327-332 FARP pgs. 1-12	HW	Pgs. 236, 240-250 from Learning from Market handout	10/24/16

10/24/16	7	Technical Analysis			
		Lecture Topics: <ul style="list-style-type: none"> • Definition of Technical Analysis • Assumptions • Fundamental vs. Technical Analysis • Economic Analysis • Economic Indicators • Charting • Approaches to Technical Analysis 	Exer.	Quiz 2, 5, 7, 12 Lectures 4,5,6	10/24/16
		Readings: FAD 241-250; 295-303; WTW pgs. 1-6 STKP pgs. 13-38	HW	Tracking report	10/31/16
10/31/16	8	Investment Strategies			
		Lecture Topics: <ul style="list-style-type: none"> • Growth Investing • CAN SLIM Background • Quarterly Earnings Per Share • Annual Earnings • New Products, Management • Leader or Laggard • Institutional Sponsorship • Market Direction 	ACT # 5	Group Exercise – Matching Strategies to stock selection	10/31/16
		Readings: STKP pgs. 1-36 FAD pgs. 123-137	HW	Tracking report	11/7/16
11/7/16	9	Trading Strategies			
		Lecture Topics: <ul style="list-style-type: none"> • Day Trading • Penny Stocks • Buy and Hold • Insider Trading • Investor Sentiment • Arbitrage • Market Timing 	ACT # 6	Group Exercise - Stock trading activity.	11/7/16
		Readings: IAMP pgs. 82-92 STCD pgs. 3-13	HW	Pgs. 36-38 from Learning from Market handout	11/14/16
			HW	Tracking report	11/21/16
11/14/16	10	Introduction to Derivatives			

		Lecture Topics: <ul style="list-style-type: none"> • What are Derivatives • Exchange Traded Markets • What are Options • Puts and Calls • Valuing an Option • Option Pricing • What are Forwards • What are Futures • What are SWAPS 		Quiz 3 Lectures 7, 8, 9	11/14/16
		Readings: FAD pgs. 305-307 BASIC pgs. 1-16 OPT pgs. 1-9 OPB pgs. 1-13 FAD pgs. 37-51 IFD pgs. 373-379; 381-386; 387-392	HW	Tracking report	11/21/16
11/21/16	11	Guide to Success			
		Lecture Topics: <ul style="list-style-type: none"> • Before Investing • Consider Your Goals • Determine Your Risk Tolerance • Establish Your Long Term Strategy • Market Efficiency • General Market Advice • The Investment Gurus 	ACT # 7	Group Exercise – Final Portfolio Presentations	11/21/16
				Final Quiz Lectures 10, 11	11/21/16

Key: HW = Homework; ACT = Activity

Nkrumah International Academy Investment Fundamentals Reading Material

Handout Materials	Syllabus Key
0903-final.doc	0903
7 Steps to Understanding the Stock Market	7ST
8_IAPM_Final.pdf	IAPM
Basics_finmkts.pdf	BFIN
Beginners.pdf	BEG
Compound_interest_intro.pdf	COMI
First Steps Toward Investing: Beginners guide.doc	1ST
Fundamental Analysis	FA
Fundamental Analysis for Dummies	FAD
Fundamental Analysis_rp.doc	FARP
Fundamentals of the Bond Market.pdf	FBM
How_to_calculate_Stock_Market_Index_Solve.doc	INDX
Importance of Financial Education.pdf	FED
Indian Research Journal	IRJ
Investing for Dummies	IFD
Mod5.pdf	MOD5
Options.pdf	OPT
Options_Basics.pdf	OPB
Pe_ratio	PER
Savings-Investing-for-Students.pdf	SIS
STCDAYTradingPlan.pdf	STCD
Stock_Basics.doc	STKB
Stockpicking.pdf	STKP
Stocks.pdf	STKS
The Basics.pdf	BAS
The Stock Market Jump Starter	SMJ
Trading101basics.pdf	T101
UnderstandingTheStockMarketandShares.pdf	M&S
WTWealth_2014-07_MajorLeadingList.pdf	WTW