

Course Syllabus

Course: FIN 6314 – Fixed Income Securities

Fall Term 2016

- FIN 6314.001 Fri: 01:00pm - 03:45pm, JSOM 2.717

Professor Contact Information

Jeffrey A. Manzi, Ph.D., CFA

Office: JSOM 14.210

Office Phone: 972-883-4884*

Email: Jeffrey.Manzi@UTDallas.edu

Office Hours: Friday mornings and by appointment. Walk-ins are welcome any weekday but I may not have time to properly address your questions adequately.

*email is by far the best way to communicate with me for most questions and other issues. For complex questions and issues, face-to-face meetings are often necessary. I will typically reply to your email within 8 hours, usually much less.

Course Prerequisites, Co-requisites, and/or Other Restrictions/Expectations. FIN 6306 is a prerequisite for this course (FIN 6314) unless otherwise approved by the program director.

Course Description. This course examines fixed income securities, their derivatives, and the management of fixed income portfolios

Course Objectives. You will learn to understand how and when to apply the basic concepts of financial analysis in a business setting, demonstrated through your ability to:

- Be able to value several different types of fixed income securities using different methodologies.
 - Be able to evaluate the risks associated with fixed income securities and how they are managed.
 - Be able to understand the basic issues in managing a portfolio of fixed income securities.
 - Be able to understand the basic issues of holding an international bond portfolio.
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Textbook and Learning Support

Fixed Income Analysis, 3e, Petitt, B., Pinto, J., Pirie, W. CFA Institute Investment Series, CFA Institute, Wiley. ISBN: 978-1-118-99949-3

Fixed Income Analysis Workbook, 3e, Petitt, B., Pinto, J., Pirie, W. CFA Institute Investment Series, CFA Institute, Wiley. ISBN: 978-1-118-99950-9

Computation Aids. You will find it to be in your interest know how to use spreadsheets to solve financial problems, particularly if you pursue a career in finance or accounting. Good books to learn such skills are: (1) Excel Modeling in Investments, by Craig Holden, Prentice-Hall (4th edition, 2011), or (2) Financial Modeling, by S. Benninga, The MIT Press (3rd edition, 2008). In addition to spreadsheet skills, you should also know how to use of a financial calculator. As with professional certification exams, you will be allowed only to use a calculator on your exams. If you do not already have a financial calculator that computes the NPV and IRR for a sequence of cash flows, I recommend that you consider the HP-10BII, HP-12C, TI BAII Plus, or the TI BAII Plus Professional as these calculators can be used on most certification exams (e.g., CPA, CFA, etc.). If you use a calculator, then you will be responsible for knowing how to use it.

You may not use a device that can store large amounts of text or provide internet access as a computational aid.

Tentative Course Schedule*

Session	Date	Reading Assignment
1	08/26	Chapter 1: Fixed-Income Essential Concepts
2	09/02	Chapter 2: Fixed-Income Markets, Trading, and Funding
3	09/09	Chapter 3: Valuation of Fixed-Income Securities Exam 1 Review
4	09/16	Exam 1 (Chapters 1-3)
5	09/23	Chapter 4: Fixed-Income Risk & Return
6	09/30	Chapter 4: Fixed-Income Risk & Return (cont'd) Chapter 5: Credit Analysis
7	10/07	Chapter 6: Credit Analysis Models
8	10/14	Chapter 6: Credit Analysis Models (cont'd) Exam 2 Review
9	10/21	Exam 2 (Chapters 4-6) Chapter 7: Asset Backed Securities
10	10/28	Chapter 7: Asset Backed Securities (cont'd) Chapter 9: Bonds with Embedded Options, Valuation & Analysis
11	11/04	Chapter 10: Term Structure Analysis
12	11/11	Chapter 11 & 12: Fixed-Income Portfolio Management
13	11/18	Chapter 13: Global Credit Bond Portfolio Management Exam 3 Review
	11/25	Fall Break
14	12/02	Exam 3 (Chapters 7, 10-13)

*Notes:

- A detailed schedule of activities and important dates will be maintained in the eLearning portal for this course – please log on daily to stay current.
- Each student is responsible for staying current with university drop/withdrawal deadlines. The official UTD Academic Calendar may be viewed at <https://www.utdallas.edu/academiccalendar/files/AcademicCalendarFall2016.pdf>

Grading Policy

Grades will be based on three (3) exams.

Exam 1 and Exam 2 (30% each). Questions on Exams 1 & 2 will be taken from the textbook and my weekly lectures and homework. Exams: will contain the material covered from first class lecture up till the time exam is given and from exam 1 to exam 2.

Exam 3 (40%). While Exam 3 will focus primarily on the material covered after Exams 1 & 2, it must draw to a large degree on the prior material because some of this material naturally builds on itself. As with Exams 1 & 2, questions will be drawn from the textbook and my lectures.

Grade Components and Weights. Your final grade will be based on your scores based on the following formula:

$$\text{Exam 1 (30\%)} + \text{Exam 2 (30\%)} + \text{Exam 3 (40\%)} = 100\%$$

Letter Grade Conversion Scale (%). Letter grades will be based on the standard university scale as shown below:

92-100 = A	90-91 = A-	88-89 = B+	82-87 = B	80-81 = B-	78-79 = C+	70-77 = C	< 70 = F
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Course & Instructor Policies

eLearning. You are expected to stay current with information that is posted on eLearning for this course. Exam dates, assignments, reference documents, and important communications will be posted on eLearning.

Make-up exams. No make-up exams will be given unless pre-arranged and/or a note from a doctor is provided (or comparable evidence for car accidents, etc.).

Class attendance. Attendance and preparation are expected.

Extra credit work. None

UT Dallas Syllabus Policies and Procedures

The University of Texas at Dallas provides a number of policies and procedures designed to provide students with a safe and supportive learning environment. Brief summaries of the policies and procedures are provided for you at <http://go.utdallas.edu/syllabus-policies> and includes information about sharing confidential information, technical support, field trip policies, off-campus activities, student conduct and discipline, academic integrity, copyright infringement, email use, withdrawal from class, student grievance procedures, incomplete grades, access to Disability Services, and religious holy days.

AccessAbility Services

It is the policy and practice of The University of Texas at Dallas to make reasonable disability-related accommodations and/or services for students with documented disabilities. However, written notification from the Office of Student AccessAbility (OSA) is required (see <http://www.utdallas.edu/studentaccess>). If you are eligible to receive disability-related accommodations and/or services and to ensure accommodations will be in place when the academic semester begins, students are encouraged to submit documentation four to six weeks in advance. Students who have questions about receiving accommodations, or those who have, or think they may have, a disability (mobility, sensory, health, psychological, learning, etc.) are invited to contact the Office of Student AccessAbility for a confidential discussion.

The Office of Student AccessAbility provides:

1. Academic accommodations for eligible students with a documented permanent physical, mental or sensory disability.
2. Facilitation of non-academic and environmental accommodations and services
3. Resources and referral information, and advocacy support as necessary and appropriate.

OSA is located in the Student Services Building, suite 3.200. They can be reached by phone at 972-883-2098, or by email at studentaccess@utdallas.edu.

JSOM is a professional school whose mission, in part, is to prepare students for the business community. Therefore, students will present themselves with commonly accepted business manners and appearance. Doing so will add to one's professional points. Comet Creed This creed was voted on by the UT Dallas student body in 2014. It is a standard that Comets choose to live by and encourage others to do the same: "As a Comet, I pledge honesty, integrity and service in all that I do."

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The descriptions and timelines contained in this syllabus are subject to change at the discretion of the Professor.