Marquette University  
College of Business Administration  
Department of Finance  
FINA 6165-701 Fixed Income Securities  
Syllabus Spring 2016  
Thursday 5:45pm-8:25pm  
475 Straz Hall

Instructor: Christopher P. Swain, CFA  
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Office Hours: Thursday 5:00 – 5:30 pm, and by appointment

Course Description:  
FINA 6165 (Fixed Income Securities) focuses on securities (mainly bonds) that promise a fixed income stream and all related securities whose valuation are influenced by interest rates. This course is focused on the concepts and tools that are useful to managers and investors who want to use these securities, whether for investing, hedging, market-making, or speculating. While the cash flows of fixed income securities are contractually specified, which makes the payoffs relatively easy to quantify, the subtleties of interest rate movements and credit risk make the valuation of bonds particularly challenging. This course requires a moderate level of quantitative skill.

Course Objectives: The primary objective of the course is to provide students with a solid background in fixed income securities. Upon completion of the course the student should possess the ability to demonstrate a thorough working knowledge of the analysis of fixed income securities, including basic characteristics of bonds in alternative sectors, valuation tools, and the factors that influence bond yields. The student should also be able to estimate risk and returns for fixed income investments, analyze fixed income securities with unique features, and value fixed income investments with embedded options.

Fixed income securities have long been acknowledged to be an integral part of a balanced portfolio management strategy. In fact, the emphasis on bonds being a source of excess returns has elevated their status to the same level as equity investments. The topic areas of highest interest in fixed income investing include: credit risk management, emerging market debt, convertibles, derivatives, the influence of hedge funds and foreign investors in the U.S. bond market, Treasury Inflation-Indexed Securities (TIPS), structured debt offerings, and foreign currency fluctuations. Throughout the course, emphasis will be placed on linking the theoretical and practical aspects of fixed income investing.

Required Text:  
1. Academic Dishonesty – Marquette University Policy
It is not feasible to attempt to develop a list of all conceivable examples of academic dishonesty, but it may be helpful to list a few and to note that they all involve an attempt to deceive, to distort perceptions of reality, to gain a record of academic accomplishment greater than earned. All who are parties to the deceit are involved in academic dishonesty. Most acts of academic dishonesty involve cheating on examinations or reports in one way or another, improperly obtaining examination questions, plagiarism, forgery, falsification of records or impersonation of a candidate taking an examination.

Students who engage in academic dishonesty, whenever that may be, shall be subject to appropriate university penalties. Penalties ranging up to an F in the course in which the dishonesty occurs can be imposed by the dean of the college or school in which the course is offered. Additional penalties, if they are warranted, ranging up to expulsion from the university, can be imposed by the dean of the college or school in which the affected student is enrolled. If an appeal against the imposition of a penalty for academic dishonesty is taken beyond the college or school in which it was imposed, it should be directed to the Office of the Provost.

2. Ethical Considerations
You should not represent material from secondary sources as your own in any reports or papers, i.e., plagiarize material from secondary sources. Cheating on the exams will not be tolerated. Cheating is defined as (but not limited to): use of unauthorized materials during exams; looking at, copying or otherwise colluding with anyone during the exam; copying test questions; and removal of the exam. Anyone engaging in the above activities will automatically receive an "F" in the course and the case will be referred to the department Chairperson for further action.

3. Attendance Policy
The University Attendance Policy is in effect for students enrolled in FINA 6165 (Students are expected to attend and be on time for all sessions of a course for which they are registered. Absences may result in consequences for the student and class attendance is a measure of academic performance. Regardless of the class attendance directions provided by the instructor in this syllabus, it is the student’s responsibility to:
- Contact me in writing (or e-mail) if you are going to miss an exam or other deadline.
- Inform the Dean’s office if you are (expect to be) absent from class for one week or more.

4. Grade Distribution

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<td>Quizzes</td>
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<td>Midterm</td>
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<td>Final Exam</td>
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<td>Fixed Income Analysis Project</td>
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<tr>
<td>Class Participation</td>
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<td><strong>Total</strong></td>
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5. Grades

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<td>F</td>
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6. Course Schedule

The course schedule for the semester (including assignments, reading material, outside speakers, presentations, etc.) and it will be provided in a separate document/file which will be updated periodically on the FINA 6165 D2L site. Each student is responsible for monitoring the D2L course site for changes to the course schedule and other announcements.

7. College of Business Administration Assessment Statement

The fundamental mission of the College of Business Administration is to provide a quality education grounded in Catholic, Jesuit intellectual values. Students are expected to learn how to function effectively in a diverse and global economy so that they may develop into ethical and socially responsible global leaders and responsible members of their organizations and communities. As one of many methods of assuring that the goals of our educational mission are successfully met, the college regularly and systematically engages in the assessment of these competencies.

Students in the Bachelor of Science in Business Administration program are assessed on their ability to reason ethically, communicate effectively, analyze critically, and understand local, national and global business and cultural issues. Students in our MBA program are assessed on their competency to communicate effectively, reason ethically and apply critical thinking, as well as their capacity to comprehend the global strategic issues of firms and perform fundamental activities of business managers. Students majoring in our other graduate and undergraduate programs are assessed on specific competencies related to their disciplines.

Assessment takes place each semester in all programs using quantifiable measures; the data is analyzed and the information is used to help continuously improve the educational process. The College of Business Administration is dedicated to successfully providing a quality education for our students and assessment is part of the process the college uses to evaluate our success. Additional information on assessment can be found at [http://www.marquette.edu/assessment/](http://www.marquette.edu/assessment/) or in the assurance of learning tabs under [http://business.marquette.edu/academics/assurance-of-learning-undergrad](http://business.marquette.edu/academics/assurance-of-learning-undergrad) or [http://business.marquette.edu/academics/assurance-of-learning-graduate](http://business.marquette.edu/academics/assurance-of-learning-graduate)

The Masters of Business Administration’s program learning goals are:

1. Perform the fundamental activities of business
2. Communicate effectively in business settings
3. Comprehend global strategic issues of a corporation
4. Apply ethical reasoning to business situations
For information on each undergraduate major or graduate program’s unique program goals and associated outcomes you can go to the College web site (see the site listed above). The assessment plans for all COB undergraduate and graduate programs can be accessed on the University Assessment website: (www.marquette.edu/assessment/).

8. Accommodations for Students with Disabilities

Please inform me during the first week of class if you have any conditions that may limit or affect your ability to participate in this course so that we can make necessary arrangements. You may also contact the Office of Student Disability Services, in 5th Floor of the 707 Building, Room 503 (8-1645) for more information (see also: http://www.marquette.edu/disability-services/).

The Office of Student Disability Services can help you with test proctoring for students with documented disabilities. Please see this site for more

http://www.marquette.edu/disability-services/testproctoring.shtml

PLEASE NOTE THE LEAD TIMES – you must schedule proctoring with the Office of Student Disabilities at least 3 business days before the exam – and at least 5 business days before an exam during midterm week or finals week.

9. Emergency Plan

The Office of Risk Management and Public Safety has asked us to include the following wording in all course syllabi.

Every Marquette University campus building has emergency shelter and evacuation plans. Please familiarize yourself with the plans of each building in which you take classes or attend meetings. Make sure to note the routes to the lowest level of the buildings for shelter during inclement weather, as well as exits from the buildings in the event of fire or other emergency.

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