

## FA 290 USING FINANCIAL DATA – Spring 2006

Faculty: Alan D. Cohen, 320 Jon Court, Des Plaines, IL 60016, 847 981-1820;  
email: [acohtrade@wowway.com](mailto:acohtrade@wowway.com)

Location: O'Hare Campus , Wednesday evenings ; 3/29/06-6/7/06

Competences Offered: H-2-X, FX, H-2-F

H-2-X – The student will demonstrate an understanding of how individuals interact with organizations in making business decisions. The student will employ this understanding to project trends and anticipate future financial outcomes (government or corporate).

F-X – Students will explain how economic and financial trends can affect his/her managerial, entrepreneurial or personal financial plans.

H-2-F- Can explain the development, roles and maintenance of social institutions.

1. Identifies and describes a specific social institution.
2. Can analyze and explain the development or changes of these institutions. (Federal Reserve, IMF)

### Faculty Biographical Sketch:

Alan D. Cohen is a financial consultant. He was CFO and Vice-President of Finance and Administration for the W. Braun Company for over 20 years. He earned an MBA from Loyola University and is a Certified Financial Planner. He also served as an investment advisor representative and teaches security licensing.

### Description of Course:

(No prior knowledge of finance is required)

This course introduces the basic elements of economics and finance so that a student can recognize causes and effects in the changing environment. Through the use of simple mathematical formulas, ratios, and financial statement analyses, the reasons for making financial decisions will become evident. Students will see the interrelationships between government and business decisions. Finally, students will form strategies for investments that take into account his/her preferences for risk and reward in relation to entrepreneurial, business or personal use.

### Expected Outcomes:

Upon successful completion of this course, students will:

- Use the basic language of finance to converse intelligently in a business environment.
- Understand how government and business decisions affect them in either a business or personal financial area.
- Be able to practice budgetary disciplines.
- Plan investment strategies for business or personal financial requirements.
- Describe either social or economic organizations.
- Explain interrelationship between individuals and organizations

### Evaluation:

The student may write a paper on the human interaction with an organization (examples: own employer or government agency) for the H-2-X competence.

The student may choose his/her area of focus for the FX competence. This competence will be evidenced by a paper of which the student may choose amongst the following: The subject may be for an entrepreneur demonstrating financial understanding of a business. The focus may be on business management, or the student could produce a personal investment plan.

The student may write about a social or economic institution for the H-2-F competence.

The student will write an 8 to 12 page paper and will discuss objectives and rationale, depending on the chosen competence.

There will be two short quizzes for all competences.

Students will contribute and be graded on group projects and class discussion. Attendance is imperative. The instructor will follow the university's guidelines on academic integrity.

Criteria for Assessment:

Students will be graded based on understanding the basics of the competences, ability to analyze using the tools taught in the class, and how the student applies learned competences to his or her own situation. The paper represents 40% of the grade. Each quiz is 15% and group and class participation 15% each. The grading criteria will be discussed in class. The percentages will change if only one competence is chosen.

**BOOKS:**

Forbes Guide to the Markets, Marc M. Groz\_ ISBN 0-471-24658

The Investors Anthology, Charles D. Ellis\_ ISBN 0-471-41616-9

**Class Schedule (subject to change):**

<u>Week</u>	<u>Topics</u>	<u>Assignment</u>
3/29	Equity and debt Risk tolerance The stock market, introduction	
Week 2 4/05	Debt instruments Inverse relationship price to interest Varieties of bonds	Forbes chap. 1, 2, 3 Ellis-pg.3 and 79
Week 3 4/12	Introduction to paper Economic ramification on markets Government policies & instruments	Forbes chap. 14, 15 Ellis articles on pg 51, 90, 267
Week 4 4/19	Economic cycles and terms Inflation/unemployment Group economic project	Forbes chap. 4, 5, 7 Ellis pg. 33, 95, 139, 158.
Week 5 4/26	Forecasting The Federal Reserve Commodities	Quiz Forbes chap. 8 Ellis pg. 38, 62, 272.
Week 6 5/03	Financial statement analysis Ratio analysis	First paper is due Forbes chap. 9 – 12 Ellis pg. 25, 248, 279
Week 7 5/10	Review of industry fundamentals Understanding research reports Value line	Quiz Forbes chap. 6 and 13 Ellis pg. 31, 110, 167

Week 8 5/17	Group research project and presentation on individual company and industry. Class will use internet financial sites.	Forbes chap. 16 – 18 Ellis pg. 181, 187, 233.
Week 9 5/24	Mutual funds Research reports Asset allocation Present and discounted cash	Final paper due. Forbes chap. 19-21 Ellis pg. 82, 87, 253 value
Week 10 5/31	Options Secrets of investing Understanding risk versus reward	Paper returned