



JOHN CABOT UNIVERSITY

COURSE CODE: "FIN 350"
COURSE NAME: "Fixed Income Analysis"
SEMESTER & YEAR: Fall 2023

SYLLABUS

INSTRUCTOR: Crina Pungulescu
EMAIL: cpungulescu@johncabot.edu
HOURS: TTH 1:30 PM 2:45 PM
TOTAL NO. OF CONTACT HOURS: 45
CREDITS: 3
PREREQUISITES: Prerequisite: FIN 301
OFFICE HOURS: by appointment

COURSE DESCRIPTION:

This course will cover the basics of fixed income analysis. The main topics covered are: features of fixed income securities and overview of bond sectors and instruments, risks associated with investing in bonds to include interest rate risk and credit risk, introduction to the valuation of fixed income securities to include valuing mortgage-backed and asset-backed securities and bonds with embedded options, study of yield measures, spot rates, and forward rates and the term structure and volatility of interest rates.

SUMMARY OF COURSE CONTENT:

This syllabus is a draft. The final syllabus will be distributed the first of class.

The topics covered are:

- Prices, Discount Factors and Arbitrage
- Spot, Forward, and Par Rates
- Returns, Spreads and Yields
- Measures of Interest Rate Risk and Hedging
- Multi-Factor Risk Metrics and Hedges: Forward-Bucket '01s
- Empirical Approaches to Risk Metrics and Hedging
- The Term Structure of Interest Rates
- Corporate Bonds and Credit Default Swaps

LEARNING OUTCOMES:

Upon successful completion of the course a student will be able to:

- . Value fixed income securities
- . Derive the spot and forward yield curve
- . Measure and manage interest rate risk
- . Understand the mechanics of structured products related to fixed income securities and their derivatives

TEXTBOOK:

Book Title	Author	Publisher	ISBN number	Library Call Number	Comments	Format	Local Bookstore	Online Purchase
Fixed Income Securities:	B. Tuckman	Wiley Finance	978-1-119-83555-4		Other editions of the textbook			

Tools for Today's Markets	and A. Serrat				are also acceptable.			
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REQUIRED RESERVED READING:

NONE

RECOMMENDED RESERVED READING:

NONE

GRADING POLICY

-ASSESSMENT METHODS:

Assignment	Guidelines	Weight
Homework		20
Exam 1		20
Exam 2		20
Final Exam	Since the final exam is comprehensive, if the final exam grade is higher than the partial exam grade(s), the final exam grade will replace the partial exam grade(s) in the calculation of the final grade for the course.	40

-ASSESSMENT CRITERIA:

A Work of this quality directly addresses the question or problem raised and provides a coherent argument displaying an extensive knowledge of relevant information or content. The student demonstrates complete, accurate, and critical knowledge of all the topics, and is able to solve problems autonomously.

B This is highly competent level of performance and directly addresses the question or problem raised. There is a demonstration of some ability to critically evaluate theory and concepts and relate them to practice. The work does not suffer from any major errors or omissions and provides evidence that the student uses clear logic in his/her arguments.

C This is an acceptable level of performance and provides answers that are clear but limited, reflecting the information offered in the lectures. Mathematical statements are properly written most of the time.

D This level of performances demonstrates that the student lacks a coherent grasp of the material. Important information is omitted and irrelevant points included. Many mistakes are made in solving the problem raised. In effect, the student has barely done enough to persuade the instructor that s/he should not fail.

F This work fails to show any knowledge or understanding of the subject-matter. Most of the material in the answer is irrelevant.

-ATTENDANCE REQUIREMENTS:

Students are required to attend classes following the University's policies.

ACADEMIC

HONESTY

As stated in the university catalog, any student who commits an act of academic dishonesty will receive a failing grade on the work in which the dishonesty occurred. In addition, acts of academic dishonesty, irrespective of the weight of the assignment, may result in the student receiving a failing grade in the course. Instances of academic dishonesty will be reported to the Dean of Academic Affairs. A student who is reported twice for academic dishonesty is subject to summary dismissal from the University. In such a case, the Academic Council will then make a recommendation to the President, who will make the final decision.

STUDENTS WITH LEARNING OR OTHER DISABILITIES

John Cabot University does not discriminate on the basis of disability or handicap. Students with approved accommodations must inform their professors at the beginning of the term. Please see the website for the complete policy.

SCHEDULE

Session	Session Focus	Reading Assignment	Other Assignment	Meeting Place/Exam Dates
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Weeks 1 and 2	Prices, Discount Factors and Arbitrage			
Weeks 3 and 4	Spot, Forward, and Par Rates			
Weeks 5 and 6	Returns, Spreads and Yields			
Weeks 7 and 8	Measures of Interest Rate Risk and Hedging			Exam 1 (date announced on the first day of class)
Weeks 9 and 10	Multi-Factor Risk Metrics and Hedges: Forward-Bucket '01s			
Week 11	Empirical Approaches to Risk Metrics and Hedging			
Week 12	The Term Structure of Interest Rates			Exam 2 (date announced on the first day of class)
Weeks 13 and 14	Corporate Bonds and Credit Default Swaps			Final Exam (Comprehensive): see University schedule for date and time