



SCHOOL DISTRICT OF THE CHATHAMS CURRICULUM PROFILE



CONTENT AREA(S): Business

COURSE/GRADE LEVEL(S): Investments/Portfolio Management / 10th - 12th Grade

Prerequisites: AP Economics, or Business Principles, or Financial Literacy + Teacher Recommendation

I. Course Overview

This course offers an introduction to investments, including investment analysis, portfolio management, and capital markets. Designed to provide the basic concepts and principles of investing, the course examines investment policies, types of securities, factors that influence price changes, timing purchases/sales, preparing investment programs to meet objectives, investment risk and return, and portfolio balancing. Instruction also includes an overview of the securities market and its behavior, including sources of information about the various instruments traded, procedure of trades, and the relevant mechanics and techniques of the market.

Topics:

- Investment Vehicle Types
- Risk & Return
- Debt Securities
- Equities
- Derivatives
- Alternative Investments
- Portfolio Theory
- Diversification
- Asset Allocation
- Mutual Funds
- Multi-Asset Class Investing
- International Investing
- Currency Exchange Rates
- Behavioral Finance
- Risk Profiling
- Tax Planning

II. Units of Study

Unit 1: Intro to Accounting

- What is a company? Scoring/measurements overview
- Profit Motive, Balance sheet, Inc stmt
- Capital Structure
- Financial Statement Analysis

Unit 2: Intro to Economics Indicators

- Inflation
- Markets & Exchanges (incl. Indices)
- Fundamental vs. Technical



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Unit 3: Asset Classes

- Equities
- Fixed Income (incl. Yields, spreads)
- Pooled
- Alternative investments (HNW clients, e.g. hedge funds, real estate, etc)

Unit 4: Valuation

- Rating Agencies & data providers
- Valuation Methods (e.g. DCF, book v. market)
- Relative Value (comparative value)

Unit 5: Portfolio Construction

- Portfolios & Diversification, time horizon, liquidity
- International Investments (incl. ADR's) & currency factors
- Risk & hedging

Unit 6: Careers

- Organizations
- Occupations
- Types of planning

VI. Learning Objectives

- Understand the basic mechanics of the investment markets, risks and rewards, and the types of investments in sound and prudent investing.
- Analyze markets and securities utilizing technical, fundamental and cyclical analyses.
- Explain the risk-return relationship and how it applies across asset categories.
- Describe types of brokerage accounts and the process for buying/selling securities.
- Differentiate between types of investments and compare advantages and disadvantages.
- Demonstrate ability to track investments using research tools and the media
- Demonstrate basic skills in solving financial problems using Microsoft Excel.
- Calculate short- and long-term returns on various investments (e.g., stocks, bonds, mutual funds, IRAs, deferred pension plans, and so on).
Assess the impact of inflation on economic decisions and lifestyles.
- Summarize how investing builds wealth and assists in meeting long- and short-term financial goals.
- Assess factors that influence financial planning.
- Calculate short- and long-term returns on various investments (e.g., stocks, bonds, mutual funds, IRAs, deferred pension plans, and so on).
- Assess the impact of inflation on economic decisions and lifestyles.

New Jersey Student Learning Standards:

- 9.1.12.G.1 - Analyze risks and benefits in various financial situations.
- 9.1.12.F.2 - Assess the impact of emerging global economic events on financial planning.
- 9.1.12.E.3 - Determine how objective, accurate, and current financial information affects the prioritization of financial decisions.
- 9.1.12.D.4 - Assess factors that influence financial planning.
- 9.1.12.B.1 - Prioritize financial decisions by systematically considering alternatives and possible consequences.
- 9.1.12.C.1 - Compare and contrast the financial benefits of different products and services



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offered by a variety of financial institutions.

- 9.1.12.D.1 - Calculate short- and long-term returns on various investments (e.g., stocks, bonds, mutual funds, IRAs, deferred pension plans, and so on).
- 9.1.12.D.2 - Assess the impact of inflation on economic decisions and lifestyles.
- 9.1.12.D.3 - Summarize how investing builds wealth and assists in meeting long- and short-term financial goals.
- 9.1.12.D.5 - Justify the use of savings and investment options to meet targeted goals.
- 9.1.12.D.7 - Explain the risk, return, and liquidity of various savings and investment alternatives.
- 9.1.12.D.9 - Relate savings and investment results to achievement of financial goals.
- 9.1.12.D.10 - Differentiate among various investment products and savings vehicles and how to use them most effectively.
- 9.1.12.D.11 - Assess the role of revenue-generating assets as mechanisms for accruing and managing wealth.
- 9.1.12.B.8 - Describe and calculate interest and fees that are applied to various forms of spending, debt, and saving.
- 9.1.12.A.7 - Analyze and critique various sources of income and available resources (e.g., financial assets, property, and transfer payments) and how they may substitute for earned income.
- 9.1.12.B.2 - Compare strategies for saving and investing and the factors that influence how much should be saved or invested to meet financial goals.
- 9.1.12.B.3 - Construct a plan to accumulate emergency “rainy day” funds.
- 9.1.12.D.3 - Summarize how investing builds wealth and assists in meeting long- and short-term financial goals.
- 9.1.12.D.4 - Assess factors that influence financial planning.
- 9.1.12.D.5 - Justify the use of savings and investment options to meet targeted goals.
- 9.1.12.D.6 - Analyze processes and vehicles for buying and selling investments.
- 9.1.12.D.7 - Explain the risk, return, and liquidity of various savings and investment alternatives.
- 9.1.12.D.8 - Explain how government and independent financial services and products are used to achieve personal financial goals.
- 9.1.12.D.9 - Relate savings and investment results to achievement of financial goals.
- 9.1.12.D.10 - Differentiate among various investment products and savings vehicles and how to use them most effectively.
- 9.1.12.D.11 - Assess the role of revenue-generating assets as mechanisms for accruing and managing wealth.
- 9.1.12.D.12 - Compare and contrast the past and present role of government in the financial industry and in the regulation of financial markets.
- 9.1.12.D.13 - Determine the impact of various market events on stock market prices and on other savings and investments.
- 9.1.12.D.14 - Evaluate how taxes affect the rate of return on savings and investments.
- 9.1.12.D.15 - Analyze how savings, retirement plans, and other investment options help to shift current income for purposes of tax reporting and filing.



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IV. Essential Questions

Unit 1: Intro to Accounting

- What is an income statement and how do investors use it?
- What is a balance sheet and how do investors use it?
- What is the basic accounting equation?
- What are the important ratios needed to measure companies?
- What do financial statements reveal?

Unit 2: Intro to Economics Indicators

- What economic indicators are imperative to investing?
- How does inflation impact investing?
- How do interest rates impact investment markets?
- What are the supply & demand dynamics of investing?
- How does the economy affect capital markets?
- How is investing inherently linked to globalization?

Unit 3: Asset Classes

- How do various asset classes function?
- What are the primary risks associated with each major asset class?
- What are the performance metrics used for each asset class?
- How is past performance relevant?
- What are the major catalysts investors look for?
- What are the nuances of taxation in each asset class?
- What does it mean to “sell short”? “long”? or sell on margin?

Unit 4: Valuation

- What are the models used for valuation?
- What are the key drivers of valuation?
- What causes changes in the price of securities?
- What spurs mergers & acquisition activity?

Unit 5: Portfolio Construction

- What are the variables to consider in asset allocation decisions?
- What are the major determinants of portfolio performance?
- How are portfolio rebalancing decisions made?
- How are ETFs and index funds impacting portfolio decisions?
- How are technologies such as artificial intelligence impacting the wealth management industry?
- How do the various forms of retirement plans work and how do they impact investment strategy?
- How do investment goals and time horizons for distributions impact portfolio decisions?
- How will trends in globalization impact the future?

Unit 6: Careers

- What types of organizations engage in investment business?
- What types of occupations are available to investment professionals?
- What are the entry level positions available to emerging financial professionals?
- What are the types of planning conducted by financial professionals?



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V. Key Performance and Benchmark Tasks

- Lectures and presentations of material
- Practice exercise and reinforcement
- Teacher-directed small group and large group discussion
- Use of films, music, posters, case studies, and various reading materials
- Activities such as but not limited to oral presentations, panel presentations, simulations, individual projects, guest speakers, and role playing

The following will be used to measure student achievement of course objectives:

- Attendance in accordance with school/district policies
- Homework, classwork, and project assignment completion, timeliness, and quality.
- Teacher-made tests and quizzes
- Exams/Assessments
- Classroom participation and preparation
- Oral presentations and discussion
- Student journals and written assignments
- Research project

VI. Instructional Materials

Course Materials

- On-line textbook
- Trading account
- Publications - *The Wall Street Journal* and *Barron's*
- Other media-Bloomberg, CNBC newsfeed and video; S&P Cap IQ
- Microsoft Excel/Google Sheets

Other Relevant Activities

- Guest Speakers from Industry
- Stock Market Simulation
- Field Trips to Investment Management Firms
- Movies/Documentaries
- Current Event Analysis