

Econ 255 Financial Analytics
Winter 2016, Sections 1 & 2

Purpose: The course is designed to develop the students' ability to integrate an electronic spreadsheet into the identification, analysis and solution stages of economic and financial problems. Through this course, students will gain a conceptual as well as a practical understanding of spreadsheets and will be equipped with the spreadsheet skills needed to engage in economic and financial modeling. In addition, students also will gain significant experience in the use of the Bloomberg financial information system, which provides access to financial, economic, accounting, and legal data, news, and analytics.

Instructor: Kerry Webb **Email:** webbke@byui.edu
Office: Smith 111 **Telephone:** Office—496-3812
Office Hours: M&W, 3-4 p.m.; T&Th, 1-2 p.m. You are welcome to drop in almost any time.

Special Note: all demonstrations in the class, as well as all tests, will be based on the latest version of Excel—Excel 2013 running on a PC. The most recent version of Excel for a Mac is 2016. Note that for most features, the functionality is the same, but the commands may be different. If you use a Mac for this course you are expected to fully understand the differences inherent in the two versions of the software.

Required Materials

1. **Account at TopHat.com:** we will use this account for survey work and attendance tracking throughout the semester. The current cost to you is \$24 per semester, \$36 for one year, or \$72 lifetime. Please refer to the TopHat Student Quick Start Guide (also posted on our I-Learn page) and to the Student Orientation materials, where you will find training videos and payment options.

Recommended, but Optional, Texts & Materials:

2. **Learn Excel 2013 Essential Skills** and **Learn Excel 2013 Expert Skills**, both books by Mike Smart available from Amazon for about \$12 and \$18, respectively.

Participation: This course is designed to generate thought and discussion. Your classroom participation is expected. Lack of preparation, trying to dominate the discussion, disrespect/disruption of others by behavior, tardiness/leaving early except under emergency or pre-arranged circumstances, or sleeping during class will have, at my discretion, a negative on your final grade. Please note that I will ask you to respond to many questions and seek your input on various economic issues. A number of case studies will be reviewed and your ideas will be important. However, if you have physical disabilities that make such participation uncomfortable, please discuss the matter with me or with appropriate personnel in the SSD Office so that reasonable accommodation can be made. There is no need to suffer in silence. If you do not understand the principles or concepts discussed, please let me know.

Attendance, Honesty, and Codes: Each day I will record your attendance through Top Hat. More than four hours of absence will result in a full grade reduction. Every two hours of absence after that is another full grade reduction. Students may be excused in accordance with the policies described in the University's Winter 2016 Catalog. During our discussion, I demonstrate either Bloomberg or Excel projects that you will be working on, so if you are absent from class you should make arrangements to obtain the discussion notes from another class member. All students have the responsibility to know and abide by the standards of intellectual honesty expected in an academic community and in accordance with BYU-I policies. All students are expected to abide by the BYU-Idaho Honor and Dress Codes. If you cannot wear your hairstyle, clothing, fashions, jewelry, or facial hair while serving a mission, don't wear it in my class or I'll ask you to leave. All University policies described in the Winter 2016 catalog will apply. You may not use any type of electronic recording device, either video or audio, during our classroom discussions or lab events without my express consent. This or any other form of cheating will result in you not being allowed to attend any further classes, and you will receive an F for the course grade, and will be referred to the Honor Office.

Grading Policies and Areas:

1. **Excel Course Completion—** Students are required to register for the Spreadsheet Modeling tutorial from Harvard University and take the online exam. For full credit, all Excel exams must be completed, with your scores emailed to me before 9:00 a.m. on Tuesday, January 26, 2016. If you are already proficient in the Excel, you may take the Excel Pre-Test. If you score 80 percent or above on the Pre-Test, you do not need to complete the tutorials or take the final Excel exam. If you score less than 80 percent on the Pre-Test, you will need to complete the tutorials and take the final Excel exam. The tutorials generally take 15-20 hours to complete. The score from either the Pre-Test or the final Excel exam represents 10 percent of the final grade in the course. If you score less than 70 percent on the final Excel exam, you may take the final test one additional time, and I will have to reset it for you, and I take the average of the two scores. If you do not complete the certification by the due date noted above, you will have one additional week to

complete it, but you will receive only 50 percent of your score. If you do not complete the Excel certification within this time frame, you will receive zero score for this portion of the class.

2. **Bloomberg Certification**—Students are required to complete the tutorials for Bloomberg Certification on the Bloomberg systems in the Econ Lab and take the two online exams—one exam on core Bloomberg material, and one exam on a market segment. For full credit, with your scores emailed to me before 9:00 a.m. on Tuesday, January 26, 2016. The tutorials generally take 10-12 hours to complete. The score on the Bloomberg exams represents 10 percent of the final grade in the course. If you score less than 75 percent on either test, you may take the test one additional time. Bloomberg does not allow you to retake the test if you score 75 percent or above. If you do not complete the Bloomberg certification by the due date noted above, you will have one additional week to complete it, but you will receive only 50 percent of your score. If you do not complete the Bloomberg certification within this time frame, you will receive zero score for this portion of the class.
3. **Bloomberg Market Concepts Completion**—beginning January 26, you will take the BMC, which is an 8-10 hour self-paced e-learning course that provides an interactive introduction to the financial markets. The BMC course consists of four modules—Economics, Currencies, Fixed Income, and Equities, all woven together from Bloomberg data, news, analytics and television. The course is available online through the Bloomberg Institute website. The BMC course code will be given to you on that date.
4. **Excel Projects Completion**—beginning January 26, there will be at least one weekly Excel project to complete. Each project will be graded on the correctness of the information, and on the efficiency/elegance of the formulation.
5. **Bloomberg Projects Completion**— beginning January 26, there will be at least one weekly Bloomberg project to complete. Each project will be graded on the depth of the research and analysis, as well as the professional presentation of the material.
6. **Quickie Quizzes**—unannounced quizzes, testing your functional knowledge of the Bloomberg system, or Excel skills, and/or market concepts may be given throughout the semester. These points will be added into the overall project points.

Grading Areas and Structure:

Final grades will be based on your performance in the following grading areas, and will be distributed as shown in the following table:

Grading Areas	Weights
Excel Cert. Exam	10%
Bloomberg Cert. Exam	10%
Bloomberg Market Concepts	10%
Excel Projects	35%
Bloomberg Projects	35%

Weighted % of Total Points	Grade	Weighted % of Total Points	Grade
93-100	A	73-76	C
90-92	A-	70-72	C-
87-89	B+	67-69	D+
83-86	B	63-66	D
80-82	B-	60-62	D-
77-79	C+	Below 60	F

Other Things That Affect Your Grade:

- You can also receive a two percentage point increase in your final grade by enrolling in and participating as a research analyst in the Investment Society. To get the two percentage points you must attend at least 60 percent of the meetings and fully participate on your research team. The Investment Society officers will notify me if you have fulfilled the requirements for this extra credit.
- Many of the projects you do in this class will require you to email me electronic files (either Word or Excel or both). All such files must be in my inbox **before 9:00 a.m.** of day the project is due. Emails received after 9:00 a.m., but before 9:31 a.m. receive a 25 percent deduction. No electronic file work will be accepted with timestamps after 9:30 a.m.
- Many of the projects you do in the class will require you to print out work in color. All printed work is due before the prayer is said at the beginning of class. Printed work handed in after the prayer receives an automatic 25 percent deduction up until 30 minutes after class begins. No work will be accepted which are more than 30 minutes late.
- All material submitted for grading must be printed and formatted as noted in the project. Your work will not be graded if it is not printed in the correct format.
- All multiple-page material (two or more pages) must be stapled together. Any multiple-page material not stapled together will receive an automatic 10 percent deduction.
- If any extra credit points are made available to you throughout the semester, they will be added to your project scores.

- This course is strongly graded based on your writing skills. As an analyst, you will be called upon to write many reports. You must ensure that they are presented clearly and logically, that they are free of grammatical errors, and that they show deep research, analysis, and understanding. To help you in this, you might want to look at the material found at: <https://www.writecheck.com/static/home.html> and subscribe to an account there.

Course Plan: The following table lists the tentative study plan for this course. The topics are listed in order of discussion. I reserve the right to make changes to the course content as needed.

Econ 255 Course Plan, Winter Semester, 2016			
Day	Date	Excel Assignments	Bloomberg Assignments
Th	1/7	Certification Time	Certification Time
T	1/12	Certification Time	Certification Time
Th	1/14	Certification Time	Certification Time
T	1/19	Certification Time	Certification Time
Th	1/21	Certification Time	Certification Time
T	1/26	Harvard Excel test, and Bloomberg Core and Sector tests must be completed before class. An email with your results must be in my inbox before 9:00 a.m. for full credit. BMC Opens	
T	1/26	Retirement Calculator Part I, due 2/2 Retirement Calculator Part II, due 2/2	
Th	1/28		US Econ Analysis, due 2/4
T	2/2	Loan Amortization, due 2/9 TVM Down on the Farm, due 2/9	
Th	2/4		Recession Timeline, due 2/11
M	2/8	BMC Economics Completion Due	
T	2/9	Yield Curve on Any Date, due 2/16	
Th	2/11		Fab Five Analysis 2/18
T	2/16	Bond Pricing, due 2/23	
Th	2/18		Regression Analysis, due 2/25
M	2/22	BMC Currencies Completion Due	
T	2/23	Duration Analysis, due 3/1	
Th	2/25		Relative Value, due 3/3
T	3/1	Immunization Analysis, due 3/8	
Th	3/3		Beta Calculation & Interpretation, due 3/10 Team Analytics Case, due 4/5
T	3/8	Continuously Compounded Annual Returns & Associated Statistics, due 3/15	
Th	3/10		Beta in Portfolio Risk Management, due 3/17
M	3/14	BMC Fixed Income Completion Due	
T	3/15	Estimating Alphas and Betas, 3/22	
Th	3/17		Dividend Discount Model, due 3/24
T	3/22	Market Anomalies, due 3/29	
Th	3/24		RSI and Mutual Funds, due 3/31
T	3/29	Two Asset Optimization, due 4/5	
Th	3/31	BMC Equities Completion Due	
Th	3/31		Team Analytics Lab Work
T	4/5	Team Analytics Discussion & Wrap Up	Team Analytics Discussion & Wrap Up

Initial Instructions for the Harvard Excel, Bloomberg Training, and TopHat

- To register for the Harvard Excel tutorials and exam, follow the instructions below:**
 - It is recommended you use either Chrome or Firefox as your browser. Then copy and paste the following URL into your browser to check whether your current browser settings and plugins meet minimum requirements to run the Harvard Online Course: xxxxxxxxxxxxxxxxxxxxxx

- At this website, click on the button entitled, “Courses and Tutorials”. Then click on the drop down arrow and highlight “Spreadsheet Modeling Online Course and Sections”. If all of the windows on the System Check screen show up with a green Pass indicator, then proceed to the next step. If your system does not pass all of the system checks, you will need to adjust it before proceeding.
- Turn off all pop-up blockers
- To register for the Harvard Online Course, click on the following link: xxxxxxxxxxxxxxxx.
- IN THE MIDDLE OF THE PAGE, click on the red “**Register Now**” link. Complete the registration information and click on the "Register" button.
- You will now be enrolled in the Harvard Excel Spreadsheet Modeling Online course. NOTE: This is a free tutorial service provide to you by the University.

When you are finished, either with the pre-test or the tutorial/final exam, capture the screen with your score (use the printscreen button) and email that image to me at webbke@byui.edu. **For full credit, this email must be in my inbox before the due date and time.**

2. To set up a Bloomberg account, and to gain access to the tutorials and exams, follow these instructions:

- You will need to have your cell phone with you
- Click on the Bloomberg icon
- Press the green Enter (GO) button
- Click on the “Create a New Login” link
- Enter the requested information
- On the red bar at that top of the screen, click on the Continue
- When entering your phone number, be sure to enter the hyphens as shown in the example
- To receive your passcode by SMS text message: the Bloomberg system will send you a text with a four-digit passcode.
- To receive your passcode by automatic phone call: you must answer your cell phone and press the requested keys to get the passcode. The Bloomberg system will not leave you a voicemail if you fail to answer the phone call.

When you logon for the first time, you will set up your desired defaults:

- For country—enter US
- For time zone—enter 16
- Save your settings before you exit.

Logging In and Tutorials

- Launch the Bloomberg application by clicking on the desktop icon. The application should load with the logon screen appearing. If it does not, simply press the red (CONN/DFLT) key.
- Enter your Bloomberg username and password, and then press the green (GO) key.
- Enter the command BESS and press the green (GO) key to access the instructional materials.

Logging Off

- Press the red (CONN/DFLT) key

When you are finished with your Bloomberg exams, capture the screen with both scores (use the Snipping Tool or printscreen button) and email that image to me at webbke@byui.edu. **For full credit, this email must be in my inbox before the due date and time.**

3. TopHat Instructions

Type in www.tophat.com on your browser, and click on the “Sign-up” link. Then click on “Student”. Enter the Course Code for your section, as given below. When registering, you must complete it with your preferred full name that matches your records at BYU-Idaho. When registering, you must complete it with your preferred full name that matches your records at BYU-Idaho. Then finish the registration. You will use the same password each day of class to log your attendance, so please make sure you remember it.