



Department of Career and Technical Education

Fundamentals of Investment Management

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Effective Fall 2017

Course Description

Fundamentals of Investment Management discusses techniques to financially plan and invest for life. Investment products discussed will include stocks, bonds, mutual funds, and alternative investments. The class will focus on creating a diversified portfolio to mitigate investment risk while allowing for long term investment growth.

Scope and Sequence

Month	Units	
February MP 3 - Feb	Unit 1 – Introduction - Savings verse Investing (2 weeks)	
February MP 3 - Feb	Unit 2 – Stock Market Basics (2 weeks)	
March MP 3	Unit 3 – Examining a Stock (Company) (2 weeks)	
March-April MP 3	Unit 4 - Stock Markets and Indexes (3 weeks)	
April MP 4	Unit 5 – Buying and Selling Stock (3 week)	

May MP 4	Unit 6 – Mutual Funds (3 weeks)	
May / June MP 4	Unit 7 – Bonds (2 weeks)	
May / June MP 4	Unit 8 – Retirement Investments (3 weeks)	
May / June MP 4		

Unit 1	
Introduction – Savings verse Investing (2 Weeks)	
Summary and Rationale	
<p>Students will understand the difference between savings and investing. The class will look at the savings tools offered by banks including: savings accounts, money market accounts and Certificate of Deposits. We will define and analyze the power of compounding interest and how identifying our wants and needs will impact our savings and investing strategies.</p>	
Recommended Pacing	
2 weeks	
Standards	
PATHWAY: Personal Financial Literacy – Planning, Saving and Investing	
9.1.12.D.1	Calculate short and long-term returns on various investments (e.g., stocks, bonds, mutual funds, IRA, deferred pension plans and so on).
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.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 investments options help to shift current income for purposes of tax reporting and filing.
Instructional Focus	
Enduring Understandings:	Essential Questions:
<ul style="list-style-type: none"> ● The power of compound interest can have a dramatic effect on long term investing results. ● Savings accounts, money market accounts and certificate of deposits are savings tools offered by banks that offer different positives and negatives. ● An individual's budget and savings percentage will effect one's ability to save and invest. ● The rule of 72 is a tool to estimate how long it will take for your money to double based on a certain interest rate. 	<ul style="list-style-type: none"> ● How does compound interest impact long term saving and investing? ● What is the best account for using as a vehicle to save? ● How do needs and wants effect your ability to save and invest?
Evidence of Learning (Assessments)	

Online assignments and activities
 Unit Test
 Kahoot Quiz
 Projects

Objectives (SLO)

Students will know how to:	Students will be able to do:
<ul style="list-style-type: none"> List and discuss the positives and negatives of savings account options. 	<ul style="list-style-type: none"> Students will select a commercial bank, go to that banks website and analyze the attributes and positive and negatives of a savings account, money market account and certificate of deposit account.
<ul style="list-style-type: none"> Know how to calculate simple interest, compound interest, and the rule of 72. 	<ul style="list-style-type: none"> Calculation worksheets. Scenario activity
<ul style="list-style-type: none"> Define and discuss the basics of Savings and Investing 	<ul style="list-style-type: none"> Completion of Everfi online training module for Savings and Investing.
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Suggested Resources/Technology Tools

Online assignments and activities
Unit Test
Kahoot Quiz
Projects
Morningstar.com
Everfi.com investment module
Yahoo Finance

21ST CENTURY LIFE AND CAREER STANDARDS

Please select all standards that apply to this unit of study:

- Act as a responsible and contributing citizen and employee.
- Apply appropriate academic and technical skills.
- Attend to personal health and financial well being.
- Communicate clearly and effectively and with reason.
- Consider the environmental social and economics impacts of decisions.
- Demonstrate creativity and innovation.
- Employ valid and reliable research strategies.
- Utilize critical thinking to make sense of problems and persevere in solving them.
- Model integrity, ethical leadership, and effective management.
- Plan education and career paths aligned to personal goals.
- Use technology to enhance productivity.
- Work productively in teams while using cultural global competence.

Suggestions on integrating these standards can be found at: <http://www.state.nj.us/education/cccs/2014/career/9.pdf>

Unit 2

Stock Market Basics (2 weeks)

Summary and Rationale

Students will learn about the basics of Stocks including: Why a company sells stock, along with definition and discussion of stockholders, Dividends, Capital Gains, types of stocks (Penny stock, growth stock, Blue Chip stock), initial public offerings, and sectors and industries

Recommended Pacing

2 weeks

Standards

PATHWAY:

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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.
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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 investments options help to shift current income for purposes of tax reporting and filing.

Instructional Focus

Enduring Understandings:

- Dividends are a distribution of company profits and a valuable consideration when choosing a stock to invest.

Essential Questions:

- What is the benefits and drawbacks of a company going public?
- What are the risks and benefits of buying stock?

- Companies issue IPO's (go public) to raise capital to expand and grow the business.
- A share of stock is an ownership interest in a company.
- A stock sector and industry stock price will often vary and move in the same direction.

- How does the overall Market and economy effect stocks?
- Why should an investor consider the sector and industry when investing?

Evidence of Learning (Assessments)

Online assignments and activities
 Unit Test
 Kahoot Quiz
 Projects

Objectives (SLO)

Students will know:
 Basic definitions including: stock price, dividends,

- Students will be assigned an activity to use the online resource yahoo finance to research and define a stocks basics.

Suggested Resources/Technology Tools

Online assignments and activities
 Unit Test
 Kahoot Quiz
 Projects
 Morningstar.com
 Everfi.com investment module
 Yahoo Finance

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Unit 3
Examining a Stock (2 weeks)
Summary and Rationale
Students will learn the definitions and how to research the following information: EPS, PE ratio, ROE, sales and earnings history, market capitalization, Yield, and volume.
Recommended Pacing
2 weeks
Standards

PATHWAY:	
9.1.12.D.6	Analyze processes and vehicles for buying and selling investments.
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.
Instructional Focus	
Enduring Understandings:	Essential Questions:
<ul style="list-style-type: none"> Understand the ratios and published information about a stock to analyze the stock as an investment. There are numerous resources that provide investment information. 	<ul style="list-style-type: none"> What information do you analyze to determine if you are going to invest in a stock? Other than financial components what information should be considered when deciding to invest in a specific stock?
Evidence of Learning (Assessments)	
<p>Online assignments and activities</p> <p>Unit Test</p> <p>Kahoot Quiz</p> <p>Projects</p>	
Objectives (SLO)	
<ul style="list-style-type: none"> Evaluate all information on a stock to determine to invest. 	<ul style="list-style-type: none"> Activity – Students will choose a stock and analyze a series of information available for that stock using Yahoo finance. Teacher will review and discuss all statistics and data listed on yahoo finance to analyze a stock.

Suggested Resources/Technology Tools

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Unit 4

Stock Market and Indexes (2 weeks)

Summary and Rationale

Students will understand the various stock markets including: NYSE, AMEX, NASDAQ along with the main market indexes including DJIA, NASDAQ composite and the S&P 500.

Recommended Pacing

2 weeks

Standards

PATHWAY:

9.1.12.D.1	Calculate short and long-term returns on various investments (e.g., stocks, bonds, mutual funds, IRA, deferred pension plans and so on).
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9.1.12.D.6	Analyze processes and vehicles for buying and selling investments.
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9.1.12.D.7	Explain the risk, return, and liquidity of various savings and investment alternatives.
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9.1.12.D.11	Assess the role of revenue-generating assets as mechanisms for accruing and managing wealth.
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9.1.12.D.13	Determine the impact of various market events on stock market prices and on other savings and investments.
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Instructional Focus

Enduring Understandings:

- Each stock market has its own traits, characteristics and rules
- Indexes provide a snapshot of average market gains or losses over a set period of time.

Essential Questions:

- How does a stock market operate?
- How is an index used in investing decisions?

Evidence of Learning (Assessments)

Online and Book assignments and activities
Unit Test
Kahoot Quiz

Objectives (SLO)

Students will know:

- Define and calculate investment ratio's
- Know all the terms and calculations on a stocks analysis page
- Research, analyze, buy and sell stocks

Students will be able to:

- Worksheet
- Teacher will review Yahoo finance stock information and students will be able to fully retrieve and define all trading information including: bid, ask range, 52 week range, market cap, dividend yield, PE and EPS
- Students will create a stock portfolio on Wallstreetsurvivor.com stock market game

Suggested Resources/Technology Tools

Online assignments and activities
Unit Test
Kahoot Quiz
Projects
Morningstar.com
Everfi.com investment module
Yahoo Finance

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Unit 5
Buying and Selling Stock
Summary and Rationale
Topics to be discussed include: buying and selling odd and round lots, short selling, common verse preferred stock, full service and discount stockbrokers, types of orders (market, limit, stop) and the process of a trade.
Recommended Pacing
2 weeks
Standards

PATHWAY:	
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9.1.12.D.6	Analyze processes and vehicles for buying and selling investments.
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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.13	Determine the impact of various market events on stock market prices and on other savings and investments.

Instructional Focus	
Enduring Understandings:	Essential Questions:
<ul style="list-style-type: none"> Students 	<ul style="list-style-type: none"> How can
Evidence of Learning (Assessments)	
Online and Book assignments and activities Unit Test Kahoot Quiz	
Objectives (SLO)	
Students will know: <ul style="list-style-type: none"> Types of bonds: including, agency, Treasuries, municipals, State, and Corporate. How to determine types of Bonds, interest rate, maturity, and price Understand how to research, purchase, analyze, and sell a stock How to create a diversified investment portfolio based on my stated level of risk Create a Diversified Bond Portfolio with varying levels of risk, interest, and maturity levels. 	Students will be able to: <ul style="list-style-type: none"> Matching worksheet Worksheet calculating Bond interest Project

Suggested Resources/Technology Tools

Online assignments and activities

Unit Test

Kahoot Quiz

Projects

Morningstar.com

Everfi.com investment module

Yahoo Finance

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Unit 6

Retirement Plans

Summary and Rationale

Recommended Pacing

2 weeks

Standards

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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.

Instructional Focus

Enduring Understandings:

- Understand retirement plan choices along with the importance of regular ongoing contributions starting at a young age.
- Understand tax consequences and benefits of retirement plans.

Essential Questions:

- How much money do I need to retire?
- Why should I have a retirement plan and which one?
- How to I manage my taxable income in a retirement plan?
- Why is the power of compounding important?

Evidence of Learning (Assessments)

Online and Book assignments and activities
Unit Test
Kahoot Quiz

Objectives (SLO)

Students will know:

- Identify and discuss the rules of a 401k, Roth IRA and traditional IRA.
- How to use online tools to forecast retirement benefits at retirement age based on contributions and investment return.

Students will be able to:

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Suggested Resources/Technology Tools

Online assignments and activities
Unit Test
Kahoot Quiz
Projects
Morningstar.com
Everfi.com investment module
Yahoo Finance

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Unit 7

Bonds

Summary and Rationale

Students will be introduced to the fundamentals of the Bond Market. The class will discuss the various types of Bonds including Government and Corporate Bonds. Along with how to calculate interest and research bond types and rates. We will discuss laddering of Bond maturities within our portfolio.

Recommended Pacing

3 weeks

Standards

PATHWAY:	
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9.1.12.D.13	Determine the impact of various market events on stock market prices and on other savings and investments.

Instructional Focus	
Enduring Understandings:	Essential Questions:
<ul style="list-style-type: none"> Understand the definitions and strengths and weaknesses of investing in Alternative investments including: Metals, Commodities, Options, Foreign Exchange, Real Estate and Hedge Funds 	<ul style="list-style-type: none"> How do I manage Investment risk when investing in Alternative Investments? Why should I invest in Alternative Investments?
Evidence of Learning (Assessments)	

Online and Book assignments and activities
Unit Test
Kahoot Quiz

Objectives (SLO)

- Students will know how to analyze a bond based on its rating and purchase a bond.
- Be able to create a Diversified Bond Portfolio with varying income and risk.

- How can Bonds add value to my investment portfolio
- How do I vary Bond Purchases to ensure income and mitigate interest rate risk.

Suggested Resources/Technology Tools

Online assignments and activities
Unit Test
Kahoot Quiz
Projects
Morningstar.com
Everfi.com investment module
Yahoo Finance

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Unit 8	
Diversified Portfolio's	
Summary and Rationale	
Students will use their knowledge of the financial instruments discussed in this class to create a diversified short, medium and long term portfolio.	
Recommended Pacing	
2 weeks	
Standards	

PATHWAY:	
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9.1.12.D.13	Determine the impact of various market events on stock market prices and on other savings and investments.

Instructional Focus	
Enduring Understandings:	Essential Questions:
<ul style="list-style-type: none"> ● Knowledge to create a diversified portfolio based on Short, Medium and Long term investment goals and risk tolerance. ● Understand the Financial instruments available to create an investment portfolio and their risk level. 	<ul style="list-style-type: none"> ● How do I utilize different types of investments to create a short term, medium term and long term investment portfolio? ● How do I ensure income in a portfolio for a retired person.
Evidence of Learning (Assessments)	
<p>Online and Book assignments and activities Unit Test Kahoot Quiz</p>	

Objectives (SLO)

Students will know:

- How to create a diversified portfolio based on length of time and risk of investments.

Students will be able to:

- Project – Create a short, medium and long term portfolio using all the financial instruments discussed in this class.

Suggested Resources/Technology Tools

Online assignments and activities

Unit Test

Kahoot Quiz

Projects

Morningstar.com

Everfi.com investment module

Yahoo Finance

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