

Illinois State University
Department of Finance, Insurance, & Law
College of Business
Spring 2026

Instructor: Dr. Eli Sherrill	Email: desherr@ilstu.edu (best way to reach me)
Phone: 309-438-3959	Office hours: Tues. 10:15-10:45 am, 2-3:15 p.m.
Office: SFHB 425	and by appointment

COURSE INFORMATION

Course Number & Title: FIL 242– Investments
Prerequisites: Junior standing, Grade of C or better in FIL 190 or FIL 240
Class Time and Location: Section 6: Tuesday and Thursday, SFHB 147, 3:35-4:50 p.m.

Course Description

This course introduces you to the theory and practice of investments, covering the topic areas of capital market structure, valuation, security analysis, and portfolio management. The course is designed to develop a theoretical framework for investing and to provide the student with some practice in applying that framework to typical investment decision-making.

Course Objectives

Upon successful completion of this course:

- Students will be able to explain the fundamental concepts of investing including the risk-reward tradeoff and basic features of different investment options.
- Students will be able to apply quantitative skills used in the field of investments.
- Students will be able to value different types of investments including stocks and bonds to make informed investment decisions.
- Students will understand trading concepts for securities such as stocks, bonds, mutual funds and ETFs.

Course Material

The required text is *Essentials of Investments*, 12th ed., by Bodie, Kane and Marcus. ISBN-13: 978-1260772166. If you prefer to purchase an older edition of the book instead, the 9th, 10th, or 11th editions of the book are also acceptable. There is also a more recently published “2024 Evergreen Release” that is acceptable. A copy of the text is available at the Course Reserves in the Milner Library. There is also an opportunity to view an electronic version of the book online through Milner Library for free; however, there are limitations on the number of students that can view it at a single time (i.e. there is no guarantee it will be available).

Please invest in a *financial calculator*, which you should have available for exams. I recommend the TI-BA II Plus, and will provide support for it during class. A financial calculator will be especially needed for material on bonds (chapter 10), but I highly suggest purchasing one early in the semester.

Also, reading the *Wall Street Journal (WSJ)* or other financial press will keep you informed of the latest news about the economy and stock markets. There will be assignments throughout the semester which require you to read and summarize *WSJ* articles. I will also discuss articles from *WSJ* during class that are related to the textbook topics. You should have access to an online subscription. You can purchase a subscription at: [Link for WSJ Subscription](#).

The course's Canvas website will be the primary source of communication outside of the classroom and you should consult it on a regular basis. The website contains video lectures, Power-Point slides, assignments, other materials, and any changes in the course schedule. You will need the ability to open/read MS Word, PowerPoint, Excel, and PDF files to fully participate in this class.

Wall Street Journal Assignments

The field of finance is constantly evolving. Reading the *Wall Street Journal* or similar publications will help keep you aware of these developments and gain a greater understanding of investments and other financial topics. Each student is required to read and briefly summarize one article most weeks. Please use articles that are on a financial topic. See the course schedule for the full list of due dates.

There are 10 due dates but you are allowed to miss 2 of the 10 assignments without penalty (i.e. you are only graded on 8 assignments). The summary should be in your own words and highlight the author's overall main idea as well as 2 or 3 important sub-ideas in the article. Additionally, you should include a few of your own thoughts and analysis of the article/topic. Examples of ideal work are included on Canvas with the assignment. Submit your articles on Canvas. Milner Library has copies of the *WSJ* that you can read, there are some free *WSJ* articles each week online, or you can purchase a subscription at: <https://r.wsj.com/PROFf7y>.

Homework Assignments

There will be three homework assignments due shortly before each exam. These are designed to give you additional practice in preparation for the exam. Please submit your answers to the homework on Canvas. In order to receive partial credit, you have the option to upload a copy of your work along with your final answers in Canvas. You can (and I strongly encourage you to) look at the questions beforehand on the homework and work them out in advance by downloading the document attached in the instructions section on Canvas. *Since I will release answers soon after the assignment is due, I do not accept late homework.*

Excel Assignments

There will be two Microsoft Excel assignments. These are designed help you learn how to apply finance topics in practice and teach you tools in Excel. Online videos walk you through the majority of the assignment, with a smaller portion for you to try on your own. You should turn your assignment in on Canvas where you will also find the project instructions, videos, and raw data files.

Class Participation & Attendance

A portion of your grade will come from class participation and attendance. During most classes, there will be a class participation sheet for students to fill out as they follow along with the lecture. During online classes, this should be submitted on Canvas. During in person classes, this will be turned in during class. Up to three times during the semester, students can miss an in-person class, watch the lecture videos on Canvas, and submit a class participation sheet on Canvas to receive credit for the day's class participation. This option is available for lectures but not exam review days or days with student presentations. You also get one-free miss with no make up work required.

Mutual Fund and Stock Selection Projects

Students are required to complete two individual projects, a mutual fund and stock project. The purpose of these projects is to give the student real life experience researching investment choices. The first project

focuses on mutual funds and requires students to use Morningstar to locate information and compare funds. Students will use this to create a portfolio and provide investment recommendations. The second project requires students to pick a stock, locate information, and write a report including their buy/sell recommendation. Both projects are designed to let students utilize material from class lectures and gain practical experience to prepare them for making their own investment decisions in the future. A separate document with detailed instructions will be distributed later in the semester.

Group Stock Presentation

Students are required to make one group presentation where they discuss a particular sector/industry and provide their analysis on specific stocks within that area. In class presentations dates can be found on the course schedule. A separate document with detailed instructions will be distributed later in the semester.

Grading Scale

Your course grade will be determined as follows:

Course letter grades:		Weights used for calculating final grade:			
Grade	Percentage	Item	Individual Weights	Number	Total Weight
A	90%	Exams	18%	3	54%
B	80%	<i>WSJ</i> Assignments	0.625%	8	5%
C	70%	Excel Projects	3%	2	6%
		Homework Assignments	3%	3	9%
D	60%	Class Participation & Attendance			10%
F	Below 60%	Mutual Fund Selection Project			3%
		Stock Selection Project			9%
		Group Stock Presentation			4%
					100%

Late Work

No late homework assignments are accepted. For *WSJ* assignments, Excel Projects, mutual fund project, and stock selection project, late work is accepted up to two weeks after the due date but comes with a 5-point late penalty per day late. April 30 is the final day that late work is accepted. Class participation sheets are also accepted late with a penalty, but the final day to submit them is one day prior to the exam review day for that unit.

Instructor's Statements

The key to gaining a good understanding of the course material is to pay attention and take notes during class and stay current with the readings. I strongly encourage you to purchase the textbook and subscribe to *WSJ*. You are encouraged to speak up during class or visit during office hours when you have questions.

I am happy to help you during my office hours. For our interaction to be fruitful, it is important that you first identify specific problems or concepts that you are having difficulty with. I look forward to working with you and contributing to your academic and future professional success.

Academic Integrity and Artificial Intelligence Policy

You are expected to be honest in all academic work, consistent with the academic integrity policy as outlined in the [Code of Student Conduct](#). All work is to be appropriately cited when it is borrowed, directly or indirectly, from another source. Unauthorized and/or unacknowledged collaboration on any work, or the presentation of someone else's work, is plagiarism.

Content generated by an Artificial Intelligence third-party service or site (AI-generated content such as ChatGPT) without proper attribution or authorization is another form of plagiarism. If you are unsure about whether something may be plagiarism or another form of academic dishonesty, please reach out to me to discuss it as soon as possible. Unless an assignment's instructions explicitly states otherwise, you should assume the use of generative AI tools is not permitted during the completion of any assigned work. Any allegation of academic dishonesty may be referred to the [Student Conduct Office](#), a unit of the Dean of Students Office, for possible review. If found responsible for academic dishonesty, a grade penalty will be applied as noted in the next paragraph.

You are required to submit work that reflects your own understanding of the information or, where applicable, the collaborative work of the group. While you are allowed (and often encouraged) to speak with classmates and others regarding your work in the course and/or consult web sources for information, the completed submissions must be, fully, in your own words and your work. If your written answer(s) closely matches that (those) of another student, answer(s) appear to be generated with artificial intelligence chatbots and/or other software and/or natural language processing tools driven by artificial intelligence (e.g., ChatGPT), and/or work appears to be copied and pasted from a website, you and each student involved will earn zero points. Additionally, if it is determined that your work is likely copied from another source (and not appropriately cited), you will earn a grade of zero points on the work. Multiple cases of academic dishonesty on assignments or academic dishonesty on a single exam may result in receiving an "F" in the course.

Mental Health

Life at college can get complicated. If you're feeling stressed, overwhelmed, lost, anxious, depressed or are struggling with personal issues, do not hesitate to call or visit Student Counseling Services (SCS). These services are free and completely confidential. SCS is located at 320 Student Services Building, (309) 438-3655.

Accommodation for Students with Disabilities

Any student needing to arrange a reasonable accommodation for a documented disability and/or medical/mental health condition should contact Student Access and Accommodation Services at 308 Fell Hall, Office Phone (309) 438-5853, Video Phone (309) 319-7682 or visit the website at StudentAccess.IllinoisState.edu

Professional Standards

All students in this course are expected to be familiar with the "College of Business Standards of Professional Behavior and Ethical Conduct" (refer to [This Link for Details on Professional Standards](#)). Please note that only bottled water may be consumed in the classroom wing of the College of Business Building and that all cell phones and other electronic devices should be turned off and stored away during classes, unless permission is otherwise granted by the instructor.

Treatment of the State Farm Hall of Business

To keep the building functioning as an attractive and extremely effective professional workplace, the College of Business prohibits the consumption of food or beverages in the classrooms. (Preventing damage to electronic equipment and carpets is a major concern, but keeping the facility looking good for students, staff, and visitors should be a goal we all share.) Bottled water is the only consumable item you are welcome to have open during class. We will observe this rule without exception.

Notice of recording a class session by the instructor

The University wants to make students aware that a course may be recorded by the faculty member for later use. Please understand that each faculty member makes an individual decision on whether recording and/or sharing their class materials is warranted. Any recordings that a faculty member makes available are for use by students enrolled in the class and are for the purpose of individual or group study only. The recordings may not be reproduced, shared with those not in the class, or uploaded to publicly accessible web environments. Please do not independently record the course without prior authorization from the faculty member or an approved accommodation from Student Access and Accommodations Services office.

Tentative Course Schedule (Subject to Change)

Wk	Mnth	Date	Format	Topic	Ch	Assignment
1	Jan.	Tues. 13	In Person	Introduction	1	
		Thurs. 15	In Person	Asset Classes and Financial Instruments	2	
2		Tues. 20	In Person	Asset Classes and Financial Instruments	2	WSJ #1
		Thurs. 22	Online	Mutual Funds and Other Investment Co.	4	
3		Tues. 27	In Person	Practice Picking Funds & Tips for MF Project	4	WSJ #2
		Thurs. 29	Online	Security Markets	3	MF Project
4	Feb.	Tues. 3	In Person	Security Markets	3	WSJ #3
		Thurs. 5	Online	Security Markets	3	Excel #1
		Thurs. 5	In Person	<i>Optional Extra Credit Session</i>		
5		Tues. 10	In Person	Risk and Return	5	WSJ #4
		Thurs. 12	In Person	Review		HW #1
6		Tues. 17	In Person	Exam 1 (Ch. 1-5)		
		Thurs. 19	Online	Efficient Diversification	6	
7		Tues. 24	In Person	Equity Valuation	13	WSJ #5
		Thurs. 26	Online	CAPM and APT	7	Excel #2
8	Mar.	Tues. 3	In Person	Equity Valuation	13	WSJ #6
		Thurs. 5	Online	Financial Statement Analysis	14	
9		10 & 12	No Class	Spring Break- No Classes		
10		Tues. 17	In Person	Macroeconomic & Industry Analysis	12	WSJ #7
		Thurs. 19	Online	Efficient Markets Hypothesis	8	
11		Tues. 24	In Person	<i>To be announced</i>		
		Thurs. 26	Online	Evaluating Investment Perf. (Covered on Exam 3)	18	Stock Selection Project
12		Tues. 31	In Person	Review		HW #2
	Apr.	Thurs. 2	In Person	Exam 2 (Ch. 6-8, 12-14)		
13		Tues. 7	In Person	Option Markets	15	WSJ #8
		Thurs. 9	Online	Option Valuation	16	
14		Tues. 14	In Person	Bond Prices and Yields	10	WSJ #9
		Thurs. 16	Online	Bond Prices and Yields	10	
15		Tues. 21	In Person	Group Stock Presentations		WSJ #10
		Thurs. 23	Online	Managing Bond Portfolios	11	
16		Tues. 28	In Person	Group Stock Presentations		
		Thurs. 30	In Person	Review		HW #3
17	May	Finals Week		Exam 3 (Ch. 10-11, 15-16, 18)		

*Schedule is subject to change

**Class participation sheet due dates are listed on Canvas