



## BUSI3502: Investments

FALL 2025

<b>Instructor</b>	Dr. Nicole Yang
<b>Email Address</b>	nicoleyang@cunet.carleton.ca
<b>Class Times</b>	Section A: Tuesday, 2:35 - 5:25 pm Section B: Tuesday, 6:05 - 8:55 pm
<b>Modality</b>	In-person
<b>Office Hours</b>	TBD
<b>Office Location</b>	NI 5032
<b>TA Name/Email</b>	TBD

### Pre-Requisites & Preclusions:

Prerequisites: BUSI 2501 or BUSI 2505 (with a grade of C+ or higher in each), and STAT 2601 or STAT 2559, and ECON 1001 and ECON 1002, and MATH 1009 or MATH 1052 (with a grade of C- or higher in each).  
Precludes additional credit for ECON 4052.

### Course Description/Instructor's Statement

Carleton Calendar Description (Find at <https://calendar.carleton.ca/undergrad/courses/BUSI/>)  
Procedures and methods of investment analysis. Stock and bond markets. Government regulation of securities markets. Valuation of common stocks and fixed income securities. Options, warrants, convertibles and commodities.

#### Instructor's Description:

The primary objective of this course is to equip students with essential knowledge, institutional details, and analytical skills necessary for success as investors or investment professionals. Topics include: Procedures and methods of investment analysis. Modern portfolio theory. Government regulation of securities markets. Trading in securities markets. Mutual funds and other investment companies. Valuation of equity securities. The application of Artificial Intelligence in asset management industry.

#### Course Learning Objectives:

1. Understand key concepts and institutional details in investments.
2. Learn and apply modern portfolio theory.
3. Evaluate equity securities using fundamental tools and analytical frameworks.
4. Critically examine emerging trends in investments, with a focus on the applications of Artificial Intelligence in asset management.

## Required/Optional Materials & Prices

### Required Textbook:

**Investments** by Zvi Bodie, Alex Kane, Alan J. Marcus, Lorne Switzer, Maureen Stapleton, Dana Boyko, Christine Panasian, 10th Canadian Edition, McGraw-Hill, Ryerson, 2022.

Find at the Campus Store from **\$69.00 - \$179.95**

### Suggested Readings & Problem Sets:

**Security Analysis** by Benjamin Graham & David Dodd.

**The Most Important Thing: Uncommon Sense for the Thoughtful Investor** by Howard Marks

**Adaptive Markets: Financial Evolution at the Speed of Thought** by Andrew W. Lo.

### Financial News/Magazines:

**Global focus:** Wall Street Journal, The Economist, CNBC, Yahoo Finance.

**Canadian focus:** The Globe and Mail – Report on Business, The Toronto Star – Business Section, Financial Post, Yahoo Finance Canada.

Problem sets will be placed on **Brightspace** on a regular basis. It is expected that all students complete the sets to be adequately prepared.

Please purchase the textbook(s) from the campus bookstore in Nideyinàn (formerly the University Centre) or through the bookstore website: <https://carleton.ca/campus-services/the-bookstore/>.

## Grading Scheme

Term Test 1 (in-class, Oct. 07)	20%
Term Test 2 (in-class, Nov. 11)	15%
Trading Project	15%
Weekly Trading Diary	5%
Final Exam	45%
<b>TOTAL</b>	<b>100%</b>

### BONUS:

Artificial Intelligence and Asset Management Presentation: up to 2%

Class Attendance: up to 2%

## Important Dates to Note

Term Test 1	Oct. 07, 2025
Term Test 2	Nov. 11, 2025
Trading Project	See Brightspace for full project guidelines and all deadlines.
Weekly Trading Diary	Due Fridays at 11:59 PM, starting from the week of Sep. 15.
Final Exam	TBD

University Academic Calendar: <https://calendar.carleton.ca/academicyear/>

## Policies & Accommodations

<https://students.carleton.ca/course-outline/>

<https://carleton.ca/pmc/current-students/academic-accommodations/>



**Stay updated with important notifications and announcements from Carleton University, by downloading the Carleton University App!**

## Methods of Evaluation

### Grading Scheme:

Term Test 1 (in-class, Oct. 07)	20%
Term Test 2 (in-class, Nov. 11)	15%
Trading Project (see below)	15%
Weekly Trading Diary	5%
Final Exam	45%
<hr/>	
TOTAL	100%

### BONUS (Additive on top of 100%):

Artificial Intelligence and Asset Management Presentation: up to 2%

Class Attendance: up to 2%

### Term Tests

Two term tests will be held **in-class, in-person, on-paper, and closed-book** on October 7 and November 11. Material covered up to and including the class before each test is eligible, with a focus on the previous four (Test1) or three (Test2) lectures. A formula sheet will be provided for each test. Students who do not write a term test will automatically receive a grade of zero unless the absence is due to a medical or other emergency with appropriate documentation. Makeup exams will only be administered on Friday, October 10, and Friday, November 14 at 11:30 am for the two tests, respectively. If you miss the approved deferred exam, the weight of the test will automatically be shifted to the final exam. No further makeups will be provided. No exceptions.

### Final Exam

The final exam will cover all lectures. More information will be provided in class as we progress.

### Trading Project

The trading project on StockTrak will be described in detail on Brightspace; you may participate in this project individually or with a partner of your choice.

### Weekly Trading Diary

Starting in the week of Sep. 15th, you will submit a short weekly reflection (1–2 paragraphs, maximum one page) to connect what we cover in class with the trading project and the real markets. Each week, share: A: one trading decision or strategy you might try based on the lecture or course-related materials, B: one market observation that connects to the concepts we've discussed or highlights something new you've noticed.

Entries are due online by Friday at 11:59 PM (Submission links will be available on Brightspace), but you can skip up to two weeks without penalty. No submissions required during the reading week and the last week of the fall term 2025. A minimum of 8 reflections must be turned in on time to get the full 5%. Partial marks will also be awarded for the number of submissions.

### Attendance Bonus

The attendance bonus is based on attending weekly classes. Attending all classes will result in a bonus of 2%. Bonus marks will be prorated based on the number of classes attended.

### Group Presentation Bonus

You can earn up to 2% bonus points for giving a group presentation on the application of Artificial Intelligence in asset management. The presentation should be a 10-minute PowerPoint delivered by groups of 5 students. Presentations will take place in class on Dec. 2nd.

You can form your own group and focus on a sub-topic under this theme. Groups must register their topic by email (see my email above) by Nov. 25 (one week before the last lecture). One member should send me the names and student IDs of all group members along with the preferred topic. Topics will be assigned on a first-come, first-served basis.

This is your chance to enhance your presentation skills while helping your classmates explore how AI is reshaping asset management practices. Possible directions include, but are not limited to:

- AI-driven portfolio optimization
- Machine learning for risk management
- Natural language processing in market sentiment analysis
- Robo-advisors and digital wealth management
- AI applications in ESG investing
- Ethical and regulatory considerations of AI in asset management

Or any other AI-related topic in asset management that interests your group.

### **Deferred Examinations/Assignments:**

If you wish to defer a **Formal Final Exam**, you – the student – must reach out to the registrar's office with the proper documentation prior to the deadline (please refer to <https://carleton.ca/registrar/deferral/> for dates). Once the request has been put through, your instructor will be notified for their approval. Your final exam will be formally scheduled. If you miss the deadline for applying for a deferral, please reach out to your instructor personally to discuss.

In the event that you are unable to write a midterm, test, or other scheduled assessments due to extenuating circumstances (such as a death in the family, illness, etc.), you must provide appropriate supporting documentation to your professor.

### **Email Response Policy**

I respond to emails during business hours (9am–5pm). Messages sent after hours will be answered the next business day.

### **Student Responsibilities:**

To get the most out of this course and succeed in assessments, you are expected to:

- **Prepare before class** by skimming the assigned chapters in the Course Schedule.
- **Engage actively in lectures** by taking notes and participating in discussions.
- **Consolidate your learning after class** by reading the chapters carefully and reviewing the lecture slides.
- **Practice consistently** with problem sets posted on Brightspace to reinforce key concepts.
- **Monitor your progress** through term tests, identifying areas for improvement.
- **Collaborate with your team** and apply course concepts to your Trading Project.

## Course Schedule

Lecture/Exam	Date	Topics	Chapters
1	Sep. 09	Introduction The Investment Environment	1
2	Sep. 16	Financial Markets and Instruments <ul style="list-style-type: none"> <li>• Money Market</li> <li>• Bond Market</li> <li>• Equities</li> <li>• Derivatives</li> </ul>	2
3	Sep. 23	Trading and Securities Markets <ul style="list-style-type: none"> <li>• Issue Securities</li> <li>• Trading and Orders</li> <li>• Security Markets</li> <li>• Regulation</li> </ul>	3
4	Sep. 30	Risk, Return, and the Historical Record	5
5	Oct. 07	<b>Term Test 1</b>	
6	Oct. 14	Capital Allocation to Risky Assets Efficient Diversification	6, 7
		<b>Reading Week (No Lectures)</b>	
7	Oct. 28	Capital Allocation to Risky Assets Efficient Diversification (continued)	6, 7
8	Nov. 04	The Capital Asset Pricing Model (CAPM) Arbitrage Pricing Theory (APT) and Multifactor Models of Risk and Return	9, 10
9	Nov. 11	<b>Term Test 2</b>	
10	Nov. 18	The Efficient Market Hypothesis Behavioural Finance and Technical Analysis	11, 12
11	Nov. 25	Security Analysis: <ul style="list-style-type: none"> <li>• Macro and Industry Analysis</li> <li>• Equity Valuation Models</li> </ul>	17,18
12	Dec. 02	Mutual Funds and Other Investment Companies Hedge Funds (Time Permitting) Artificial Intelligence and Asset Management: Group Presentations	4, 26

Please note that the course schedule may be amended during the term depending on whether topics take more or less time to cover than planned.

**Contribution to Learning Goals of the Program ([BCom](#), [BIB](#)):**

Program Learning Goal	Competencies Not Covered	Competencies Introduced (only)	Competencies Taught But Not Assessed	Competencies Taught and Assessed
<b>BC1 Knowledge</b> <i>Graduates will be skilled in applying foundational business knowledge to appropriate business contexts.</i>				✓
<b>BC2 Collaboration</b> <i>Graduates will be collaborative and effective contributors in team environments that respect the experience, expertise and interest of all members.</i>		✓		
<b>BC3 Critical Thinking</b> <i>Graduates will be discerning critical thinkers, able to discuss different viewpoints, challenge biases and assumptions, and draw conclusions based on analysis and evaluation.</i>				✓
<b>BC4 Communication</b> <i>Graduates will be effective and persuasive in their communications.</i>				✓
<b>BI5 Global Awareness (BIB ONLY)</b> <i>Graduates will be globally-minded.</i>				✓

## ADDITIONAL INFORMATION

### Course Sharing Websites

Materials created for this course (including presentations and posted notes, labs, case studies, assignments, and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

### Required calculator in BUSI course examinations.

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

### Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, followership, and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

### Grading

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100	B+ = 77-79	C+ = 67-69	D+ = 57-59
A = 85-89	B = 73-76	C = 63-66	D = 53-56
A - = 80-84	B - = 70-72	C - = 60-62	D - = 50-52
F = Below 50			

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

### Academic Regulations

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

### Requests for Academic Accommodation

Carleton is committed to providing academic accessibility for all individuals. You may need special arrangements to meet your academic obligations during the term. The accommodation request processes, including information about the *Academic Consideration Policy for Students in Medical and Other Extenuating Circumstances*, are outlined on the Academic Accommodations website ([students.carleton.ca/course-outline](http://students.carleton.ca/course-outline)).



You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

### **Pregnancy Accommodation**

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: [carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf](https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf)

### **Religious obligation**

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: [carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf](https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf)

### **Academic Accommodations for Students with Disabilities**

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or [pmc@carleton.ca](mailto:pmc@carleton.ca) for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. [carleton.ca/pmc](https://carleton.ca/pmc)

### **Survivors of Sexual Violence**

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and its survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: [carleton.ca/sexual-violence-support](https://carleton.ca/sexual-violence-support)

### **Accommodation for Student Activities**

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: [students.carleton.ca/course-outline](https://students.carleton.ca/course-outline)

### **Academic Integrity**

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another's ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated.

Process: If an alleged violation occurs, all relevant documentation will be forwarded to the Dean. If the allegation proves true, the penalties may include; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, amongst others. **For a first offence, at a minimum, the penalty assigned will normally be a zero on the submitted work and at least a minimum full grade reduction of the final course grade. For a second offence, at a minimum, the penalty assigned will normally lead to a suspension from studies.**

Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at: <https://carleton.ca/registrar/academic-integrity/>.

### **Sprott Student Services**

The Sprott Undergraduate Student Services Office offers program advising and overall student success support. Our team is available to discuss your academic goals and your program progression plans. We can also work with you to develop strategies for success, including study skills for Business. If you experience any difficulty this term or if you would like to access support, please contact our team at [bcom@sprott.carleton.ca](mailto:bcom@sprott.carleton.ca) or at [bib@sprott.carleton.ca](mailto:bib@sprott.carleton.ca).

### **Centre for Student Academic Support**

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: [carleton.ca/csas](http://carleton.ca/csas).

### **Important Information:**

- Students must always retain a copy of all work that is submitted.
  - All final grades are subject to the Dean's approval.
  - For us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CARLETON address. Therefore, in order to respond to your inquiries, please send all email from your Carleton CMail account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://carleton.ca/its/get-started/new-students-2/>
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