

INVESTMENTS

BUSI 3502 A FALL 2024

Instructor:	Dr. Yan (Nicole)Yang
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Office:	Nicol Building 5032
Office Hours:	TBD
TA:	TBD
Modality:	In-person
Class Meets:	Tuesday: 8:30 AM - 11:25 AM

In order to stay updated with important notifications and announcements from Carleton University, please download the Carleton University App. This will ensure you receive timely information regarding your courses and other university-related updates throughout the term.

Pre-requisites: BUSI 2501 or BUSI 2505 (with a grade of C+ or higher in each), and STAT 2601 or STAT 2606 and ECON 1001 and ECON 1002 and MATH 1009 (with a grade of C- or higher in each).

Course Calendar Description: [2024/2025 University Calendar](#)

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.

Course Description:

The primary objective of this course is to equip students with essential knowledge and analytical skills necessary for success as investors or investment professionals. Topics include: Procedures and methods of investment analysis. Portfolio theory. Stock, bond, and derivative markets. Government regulation of securities markets. Valuation of fixed income securities. Evolving trends in the investment industry.

Learning Outcomes:

1. Understand financial markets and financial instruments
2. Learn investment procedures, portfolio theories, and regulatory requirements
3. Develop technical/fundamental analysis skills
4. Apply portfolio theories
5. Stay informed on current trends in financial markets and investment management industry

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.

Suggested Readings & Problem Sets:

A Random Walk Down Wall Street by Burton G. Malkiel.

Security Analysis by Benjamin Graham & David Dodd.

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.

Details on how to activate **free online subscription access** to the Globe and Mail will be provided in class.

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

Methods of Evaluation & Course Completion Requirements

Tasks	Weighting
4 Term Quizzes (in-class, dates below)	15%
Trading Project	15%
Midterm Exam (in-class, Oct. 15)	25%
Final Exam	45%
Total	100%

BONUS:

Current Investment Trends Presentation: up to 3%

Midterm Feedback Survey: 2%

Breakdown of evaluation components:

Term Quizzes:

To consistently review course materials, and identify your strengths and weaknesses, four term quizzes will be held **in-class, in-person, on-paper, at the beginning of the lecture**. The schedule of quizzes will be as follows:

Quiz 1	Quiz 2	Quiz 3	Quiz 4
Sep. 24	Oct. 8	Nov.12	Nov. 26

- Each quiz will cover course materials from the first lecture up to the lecture before the quiz, with an emphasis on materials from the most recent two weeks.
- The best 3 out of 4 quizzes will be used to compute the 15% quiz points. **There will be no make-up quizzes, no exceptions.**

Midterm Exam:

The midterm exam will cover lectures 1-5.

A student who does not write the midterm exam will automatically receive a grade of zero unless this is due to a **medical** reason or an **emergency** with the appropriate **documentation**. Makeup exams will only be administered on Oct. 18th at 9 am (tentative). **no exceptions.**

Final Exam:

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

Trading Project:

The details of the trading project will be disclosed on Brightspace before the first week of Fall term 2024.

Group Presentation:

You can earn up to 3% bonus points for giving a group presentation on current trends in the investment industry. The presentation should be a 10-minute PowerPoint delivered by groups of 5 students. Presentations will take place in class on Dec. 3rd. You can form your own group and choose a topic under the theme of emerging topics in investments. There will be a sign-up sheet, and topics will be assigned on a first-come, first-served basis. This is your chance to enhance your presentation skills while teaching your classmates something new! **Sample topic ideas include, but are not limited to:**

- Sustainable Investing
- Artificial Intelligence in Investment Management
- Global Investment Trends
- Market Trends in Emerging Economies
- Advancements in Investment Strategies

- Evolving Investor Behavior
- Alternative Investments
- Inflation and Investment

Or any other topic you are interested in.

Midterm Feedback Survey:

The Midterm Feedback Survey is an opportunity for you to share your thoughts on the course so far. Your feedback will help me understand what's working well and what can be improved. By completing the survey, you will earn 2% of your total course grade. Your input is valuable and will contribute to making the rest of the course as effective and engaging as possible. Details will be disclosed in class.

The Class Discussion Board on Brightspace

The discussion board is an essential part of our class where we can all engage in meaningful conversations, ask questions, share insights, and help each other understand the course material better. The guidelines on how to use this space effectively will be disclosed in class.

Email Response Policy

I will do my best to respond to emails sent during business hours (9am-5pm) on the same day. If you email me after hours, I'll reply on the next business day. Please include the course number in the subject line. For example: "BUSI 3502 - Question on xxx". Please post course-related questions on the Class Discussion Board.

How to Get the Most Out of This Course:

- Skim each chapter listed in the Course Schedule (see below) in advance
- Take notes during lectures (lecture notes are **not** complete)
- Read each chapter listed in the Course Schedule (see below) after each lecture
- Review the lecture slides after each lecture
- Work on problem sets posted on Brightspace
- Participate in the Class Discussion Board
- Participate in polls (if any)
- Take quizzes and exams, identify weaknesses, and improve
- Discuss with your teammates, and apply what you learn in your trading project
- Reflect on course concepts outside of class. For example, when reading the newspaper or watching the news, question if what you see or hear aligns with what you've learned

Course Schedule

Lecture/Exam	Date	Topics	Chapters
1	Sep. 10	Introduction	
2	Sep. 17	The Investment Environment	1
3	Sep. 24	Financial Markets and Instruments <ul style="list-style-type: none"> • Money Market • Bond Market • Equities • Derivatives 	2
4	Oct. 01	Trading and Securities Markets <ul style="list-style-type: none"> • Issue Securities • Trading and Orders • Security Markets • Regulation 	3
5	Oct. 08	Risk, Return, and the Historical Record	5
6	Oct. 15	Midterm Exam	
		Reading Week (No Lectures)	
7	Oct. 29	Capital Allocation to Risky Assets Efficient Diversification	6, 7
8	Nov. 05	Capital Allocation to Risky Assets Efficient Diversification (continued)	6, 7
9	Nov. 12	The Capital Asset Pricing Model (CAPM) Index Models Arbitrage Pricing Theory (APT) and Multifactor Models of Risk and Return	8, 9, 10
10	Nov. 19	The Efficient Market Hypothesis Behavioural Finance and Technical Analysis	11, 12
11	Nov. 26	Bond Prices and Yields Term Structure of Interest Rates Managing Bond Portfolios	14, 15, 16
12	Dec. 03	Current Investment Trends: Artificial Intelligence, Sustainability, and Investments Group presentations	Lecture Notes

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
CHECK (X) ONE PER ROW				
BC1 Knowledge <i>Graduates will be skilled in applying foundational business knowledge to appropriate business contexts.</i>				X
BC2 Collaboration <i>Graduates will be collaborative and effective contributors in team environments that respect the experience, expertise and interest of all members.</i>		X		
BC3 Critical Thinking <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>				X
BC4 Communication <i>Graduates will be effective and persuasive in their communications.</i>				X
B15 Global Awareness (BIB ONLY) <i>Graduates will be globally-minded.</i>			X	

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).

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

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

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 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

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

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

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 or at 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.

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/>